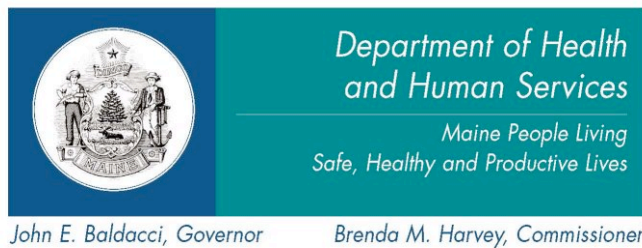


# MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC.

## Dispensary Application for Distributing Medical Marijuana

### STATE OF MAINE



DIVISION OF LICENSING AND REGULATORY SERVICES  
41 Anthony Ave.  
Augusta, Maine 04333

AUGUST 20, 2010

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**MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC.  
BOX 6  
NEWRY, MAINE 04261**

August 20, 2010

Maine Department of Health and Human Services  
41 Anthony Avenue  
Augusta, ME 04333

**Application Cover Letter**

Dear Maine Department of Health and Human Services:

Maine Alternative Treatments Solutions, Inc. hereby submits the accompanying application for a license to become a Dispensary for Distributing Medical Marijuana in District 1. There is one signed original application, 5 photocopies, and an electronic copy on a CD.

Included with this letter is a check for \$15,000 payable to "Treasurer State of Maine."

I attest to accuracy and validity of all information submitted as part of the Application, and understand that the supplied information will be relied upon, by the Department, in the selection and registration of the successful applicant.

Thank you for providing the opportunity to submit the application and for taking the time to review its contents.

Very truly yours,

Peter A. Phelps  
President and Chief Executive Officer

Attachments

## **Executive Summary**

MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC. (“MATS”) is an applicant for the Medical Dispensary in District 1 of the State of Maine. MATS is a uniquely qualified Applicant for the following key reasons:

1. **NON-PROFIT, BUSINESS, and REAL ESTATE EXPERIENCE** - MATS management team has extensive non-profit experience and experience in the medical services area providing care to patients. All in, the team has over 60 years of combined business experience (including experience in all facets of real estate). The combined strong and relevant experience will be critical to locating and leasing the best growing and dispensary facility, and building a sustainable non-profit business that will provide vitally important care to patients.
2. **EQUIPMENT and USE OF TECHNOLOGY** - We are planning to leverage technology throughout the operation. We will deploy “state of the art” growing and cultivation equipment designed and manufactured by PharmaSphere. The equipment, described below, will give MATS a distinct advantage over other applicants who plan to utilize less sophisticated equipment or growing methodologies. The MATS team, in general, is extremely computer literate, and will utilize technology in all phases of the MATS operation to advance patient care, education and communication. The use of technology will also be employed to backbone internal controls and create efficiencies in the operational segments of the non-profit.
3. **FUNDING** - Strong funding support. In the Application, we have included a Letter of Intent for \$500,000 from Atlas Advisors, LLC. This level of funding will provide MATS with adequate working capital to meet the aggressive plans outlined in this Application. It will also give MATS the funding needed to bring in expertise in areas that need additional specialized knowledge. Atlas understands, and supports the mission of MATS as a non-profit and had agreed to provide the capital, and additional expertise, as needed, to ensure that the Plan is successfully executed.

This Application has been prepared for easy review. The schedules and supporting documentation have been added in the order required by the instructions as opposed to being included as addendums and attachments leading to a confusing package. We have also have purposely avoided adding additional materials to “pad” the Application. The experience, background and funding of the Applicant speaks for itself - and we hope the reader appreciates the brevity of the responses.

Thank you for taking the time to review the Application and we will strive to be the best Medical Marijuana Dispensary in the State of Maine.



**MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC.**

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# **APPLICATION AND SCHEDULES**

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redacted.**

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redacted.**

## Application Form Financials

	Start Up Period 9/1/10 - 12/31/10	First Full Calendar Year 1/1/11 to 12/31/11	Second Full Calendar Year 1/1/12 to 12/31/12
<b>PROJECTED INCOME STATEMENTS</b>			
<b>Revenue</b>			
Marijuana sales (in any form)	\$0	\$1,925,000	\$3,600,000
Paraphernalia sales	0	100,000	200,000
Other sales	0	50,000	100,000
Other income	0	0	0
<b>Total Revenue</b>	0	2,075,000	3,900,000
<b>Expenses</b>			
Payroll, taxes, and fringe benefits	125,000	765,000	1,100,000
Cultivation	70,000	518,750	975,000
Supplies	5,000	6,000	7,000
Office Expenses	5,000	20,750	39,000
Utilities	7,500	83,000	156,000
Insurance	2,500	41,500	78,000
Interest	48,100	24,420	0
Depreciation/Amortization	3,000	10,000	12,000
Leasehold Expenses	10,000	15,000	20,000
Rent	12,500	75,000	75,000
Bad Debt	0	10,375	19,500
CARES Program, Charitable Giving	0	155,625	292,500
Sales, General, Admin. & Marketing	0	207,500	390,000
<b>Total Expenses</b>	288,600	1,932,920	3,164,000
<b>Revenues less Expenses</b>	<b>(\$288,600)</b>	<b>\$142,080</b>	<b>\$736,000</b>
<b>Personnel Categories</b>	<b># FTE's</b>	<b># FTE's</b>	<b># FTE's</b>
Administration	5	5	7
Sales	3	5	7
Cultivation	7	7	8
<b>Total Personnel</b>	<b>15</b>	<b>17</b>	<b>22</b>
Number of Patients	333	1,000	1,200
Average Ounce/year/patient	3	7	12
Estimated Price/Ounce	\$300	\$275	\$250

## **Schedule A, Board of Directors and Officers**

Peter A. Phelps, President, CEO, and Board Member

Michael Liberti, Vice President, and Board Member

Robyn Carey, Treasurer/Secretary and Board Member

## **Schedule B, Employees**

Peter A. Phelps, President and CEO

Michael Liberti, Vice President

Robyn Carey, Treasurer/Secretary

## **Schedule C, Bylaws of the Non-Profit Corporation**

### **BY LAWS OF MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC. A MAINE NON-PROFIT CORPORATION**

#### **ARTICLE I**

##### **NAME**

The name of the institution shall be MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC. a Maine nonprofit corporation hereinafter referred to as the "MAINE ALTERNATIVE TREATMENT SOLUTIONS" or "the Corporation".

#### **ARTICLE II**

##### **MISSION**

###### **Section 1.**

MAINE ALTERNATIVE TREATMENT SOLUTIONS cultivates and dispenses medical marijuana to licensed patients pursuant to Maine Public Law, Chapter 631, LD1811 and 10-144 CMR Chapter 122. Maine DHHS, May 5, 2010. It provides educational services, information and support solutions to patients and caregivers suffering from debilitating medical conditions where medical marijuana would be a beneficial alternative to traditional therapies.

###### **Section 2.**

The Corporation shall have the power to purchase, lease and otherwise acquire, maintain, control, operate, sell and otherwise alienate or dispose of any real or personal property for any use in connection with or in furtherance of the above-stated purpose(s) and to accept equity investment, borrow money, and make, accept, endorse and issue bonds, promissory notes, bills of exchange and other obligations for monies borrowed, and to secure the payment of any such obligation by mortgage, pledge, deed, indenture agreement or other instrument of trust or by other lien upon assignment of, or agreement in regard to, all or any part of the property rights or privileges of the Corporation wherever situated, and any other power consistent herewith or for any other lawful purpose.

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## **ARTICLE III**

### **MEMBERS**

#### **Section 1.**

MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC. shall operate under Title 13-B: MAINE NONPROFIT CORPORATION ACT §1406.2 et. seq., as a Maine Nonprofit mutual benefit corporation having no members.

## **ARTICLE IV**

### **BOARD OF DIRECTORS.**

#### **Section 1.**

Number of Directors. The Board of Directors shall initially consist of three (3) Directors. However, that number may change, but at no time shall consist of no more than seven (7) nor less than three (3) Directors, as fixed from time to time by the Board of Directors.

#### **Section 2.**

Election and Term of Directors. Except in the case of Directors serving ex officio or elected to fill a vacancy, each Director shall be elected at the Annual Directors' Meeting or a Special Meeting held in lieu thereof for a term of two (2) years, or until his or her successor is elected and qualified. Vacancies in existing terms may be filled by a majority vote of the Directors at any Directors Meeting. A Director may be removed from office with or without cause by a majority vote of the Directors at any meeting.

#### **Section 3.**

Duties of the Board of Directors. The duties of the Board of Directors shall be to oversee the work and finances of the Corporation; to ensure that the work and the finances of the Corporation are conducted in accordance with the Articles of Incorporation of the Corporation and with these By-Laws; to appoint the Officers of the Corporation; to examine and approve the Treasurer's accounts; and to generally guide and direct the work of the Corporation in the fields of operating as a Registered Dispensary as presently defined under Maine's "Title 13-B: MAINE NONPROFIT CORPORATION ACT §1406.2 et. seq.

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#### **Section 4.**

Powers of Directors. The Board of Directors shall have and exercise all the powers, rights, privileges and be subject to all the duties conferred or imposed upon the Incorporators and their associates and successors or upon the Corporation, by law, the Articles of Incorporation as may be amended from time to time, or by these By-Laws.

### **ARTICLE V MEETINGS OF DIRECTORS.**

#### **Section 1.**

Annual Meeting. The Annual Meeting of the Board of Directors shall be held on the 1<sup>st</sup> Day of September at 12 Noon, at MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC. office, or at some other hour and place as shall be designated by the President and state in the notice of the Meeting. In the event of failure to hold said Annual Meeting at any time or for any cause, and all business which might have been transacted at such Annual Meeting may be transacted at the next succeeding Regular or Special Meeting.

#### **Section 2.**

Regular Meetings. Regular Meetings of the Board of Directors shall be held on the 15<sup>th</sup> day each quarter, of each year, or at such other times as may be fixed by the Board of Directors.

#### **Section 3.**

Special Meetings. Special Meetings of the Board of Directors may be called by any Officer at any time, and shall be called by the Secretary upon request of any two Directors.

#### **Section 4.**

Notice of Meetings. The Secretary shall send a notice of each meeting to each Director, but if the Secretary shall be absent, declines, or is unable to act, any other Officers of the Corporation may send such notice. The Officer giving such notice shall give at least five (5) days' notice if by mail, or two (2) days' notice of by telephone or electronic mail, of the time and place of such meeting, to be addressed to each Director at his or her address appearing on the records of the Corporation. Notice of any meeting may be waived in writing by any Director, and will be waived by his or her attendance at such meeting, except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened and so indicates at that meeting.



Except as otherwise provided by this By-Laws, notice of an Annual or Regular Meeting need not specify the business to be transacted. Notice of a Special Meeting shall state the general nature of the business to be transacted.

#### **Section 5.**

Quorum. Two-thirds (2/3rds) of the Directors of the Board of Directors shall constitute a quorum for the transaction of all business, but less than a quorum may adjourn a meeting from time to time.

#### **Section 6.**

Action at Meeting. At any Meeting of Board of Directors at which a quorum is present, the vote of a majority of the Directors present, unless a different vote is specified by law, by the Articles of Incorporation, or by these By-Laws, shall be the act of the Board of Directors.

#### **Section 7.**

Action Without Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action to taken is signed by all of the Directors. Such consent shall have the same force and effect as a unanimous vote of the Board of Directors.

### **ARTICLE VI**

#### **OFFICERS.**

##### **Section 1.**

Enumeration, Term of Office and Manner of Election. The Officers of the Corporation shall consist of a President, Treasurer and Secretary, all of who shall be Directors of the Corporation, and such other officers including Vice Presidents, Assistant Treasurers, Assistant Secretaries, as the Board of Directors in its discretion may appoint from time to time.

The officers shall be elected by the Board of Directors annually at the Annual Meeting or a Special Meeting held in lieu thereof and shall hold office until the succeeding Annual Meeting and until their successors are elected. The Board of Directors may fill any vacancy at any meeting.

The same person may hold any two or more offices.

- a) **President.** The President shall preside at all meetings of the Board of Directors.
- b) **Vice-President.** The Vice-President shall act in the President's absence and shall chair all subcommittees established by the Board.
- c) **Treasurer.** The Treasurer shall oversee custody of all funds and securities belonging to the Corporation, to endorse for collection on behalf of the Corporation all checks, notes and other obligations for the payment of money, and shall deposit all such monies, funds, checks, notes and other obligations to the credit of the corporation in such banks or trust companies as the Treasurer may from time to time select. The Treasurer shall cause a regular set of books to be kept showing the accounts of the Corporation and all monies that may pass through the Treasurer's hands and shall, when requested by the Board of Directors, make a report to them at any Annual, Regular or Special Meeting with respect to any monies received by the Treasurer and such other matters pertaining to the accounts of the Corporation as the Board of Directors may require.
- d) **Secretary.** The Secretary shall keep a record of the proceedings of all meetings of the Board of Directors, and shall give notice of all meetings of the Board of Directors.
- e) **General Powers.** Each Officer shall have, subject to the Articles of Incorporation and these By-Laws, in addition to the powers and duties herein set forth, such powers and duties as are commonly incident to such office, and such duties and powers as the Board of Directors shall from time to time designate.
- f) **Removal.** The Board of Directors, whenever in its judgment, may remove any Officer; when the best interest of the Corporation would be served thereby.

## ARTICLE VII

### PROHIBITED ACTIVITIES.

#### Section 1.

No Commercial Endeavors. The name of the Corporation or the names of any Directors, Officers, or recipients of grants therefrom in such status, shall not be used in any connection with any commercial endeavor or with any partisan interest or for any purpose not appropriately related to the promotion of the objects of the Corporation.

#### Section 2.

Commitments on Behalf of the Corporation. The Corporation may cooperate with other organizations, foundations and agencies concerned with the education of individuals or other groups about the alternative therapeutic effects of medical

marijuana, cultivation and distribution of medical marijuana. The persons representing the Corporation in such matters shall make no commitments that bind the Corporation without prior approval or and authorization by its Board of Directors.

### **Section 3.**

Tax-Exempt Activities. No Director, employee, agent, representative, or recipient of any grant from the Corporation shall take any action or carry on an activity by, or on the behalf of, the Corporation not permitted to be taken or carried on by organizations exempt from Federal Income Tax.

### **Section 4.**

Earnings and Assets. No Director, Officer, employee or person connected with the Corporation or any other individual shall at any time receive any of the income of the Corporation other than reasonable and bona fide expenses incurred on behalf of the Corporation except as approved by the Board of Directors.

### **Section 5.**

Non-Discriminatory Policy. The Corporation shall not in any respect discriminate in any manner by virtue of gender, race, creed, religious beliefs, sexual orientation, citizenship or place or country of origin.

## **ARTICLE VIII**

### **EXECUTION OF PAPERS.**

#### **Section 1.**

Documents Requiring Corporate Seal. Deeds and leases, promissory notes, mortgages, contracts and all instruments with a monetary value of more than Ten Thousand Dollars (\$10,000.00), shall require the seal of the Corporation and execution by the President and the Treasurer or Secretary.

#### **Section 2.**

Drafts and Checks. Unless authorized by the Board of Directors, all negotiable drafts and checks for more than Five Thousand Dollars (\$5,000.00) shall require a signature from an authorized Officer.

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## **ARTICLE IX**

### **MISCELLANEOUS.**

#### **Section 1.**

Corporate Seal. The corporate seal shall bear the name “MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC.” and “Incorporated Maine 2010”.

#### **Section 2.**

Fiscal year. Except as from time to time otherwise determined by the Board of Directors, the fiscal year of the Corporation shall be the calendar year and end on December 31.

## **ARTICLE X**

### **INDEMNIFICATION.**

#### **Section 1.**

Indemnification. Any Director, Officer, Member or employee of the Corporation who is a party to any threatened, pending or completed action, suit or proceeding by virtue of his or her capacity as a Director, Officer, Member or employee of the Corporation, shall be indemnified for his or her expenses incurred in relation to such proceeding to the extent permitted under Maine LAW, except that he or she shall not be entitled in any action in relation to which the Director, Officer, Member or employee convicted of a crime, or in which his or her conduct is determined to constitute civil fraud against the Corporation, or in which he or she is adjudged to be liable on the basis that personal benefit was improperly received by him or her.

## **ARTICLE XI**

### **AMENDMENT.**

#### **Section 1.**

Amendment. These By-Laws may be amended or repealed at any Annual, Regular or Special Meeting of the Board of Directors at which a quorum is present by vote of a majority of the Directors present, provided the proposed changes or a written statement thereof shall have been given in the notice of the meeting. These By-Laws may also be amended by unanimous consent in writing of all of the Directors.

The following persons are hereby elected officers of the corporation to serve in accordance with the Articles of Incorporation and the By-Laws of the Company:

President/CEO:	Peter A. Phelps
Vice-President:	Michael Liberti
Treasurer/Secretary:	Robyn Carey

Executed this 19<sup>th</sup> day of August 2010.

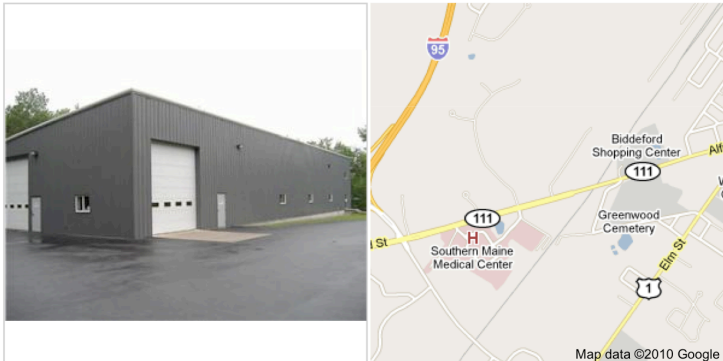


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Peter A. Phelps, President and CEO

## Schedule D Location of Grow Site

17 Pomerleau Street, Biddeford, ME



Free Tools and Services to Outfit Your Facility at Half the Normal Cost!



[Learn More](#)

[Get Directions](#) | [Request to Tour Property](#) | [Printable View](#) | [Bookmark This Property](#) | [Add to My Home](#)

<b>Status</b>	For Lease
<b>Space Type</b>	Industrial/Warehouse
<b>Project / Sub-Market</b>	
<b>Min Sqft</b>	5000
<b>Max Sqft</b>	5000
<b>Listing Broker/ Owner Contact</b>	CBRE Andy Nelson 207-772-1333 <a href="#">Email Me</a>



### Request to Tour Property

<b>Proposed Lease/Sale Terms</b>	\$6 /SF/Year
<b>Description</b>	Up to 5,000 +/- sf industrial/warehouse space. Drive-in door. 14' x 16' overhead door. 18'- 22' ceilings. Heated warehouse. Ample paved parking on two sides of the building. Within 1/2 mile from I-95 Exit 32. Plenty of room for large truck deliveries. Within 1/2 mile from I-95 Exit 32. Plenty of room for large truck deliveries. (ID-823304)

**Brochure/Floor Plans/Site Plan**

<b>Disclaimer</b>	This property information has been secured from sources we deem to be reliable, but BuildingSearch.com and its affiliates make no representation or warranties, expressed or implied, as to the accuracy of the information. All references to location, size, price, age, sq. footage, and expenses are approximate. Interested parties are urged to conduct their own independent investigations and to rely only on those results.
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### Additional Information

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## **Schedule E, Policies and Procedure**

Schedule E-1: Personnel

Schedule E-2: Growing and Cultivation

Schedule E-3: Inventory Control

Schedule E-4: Food Preparation

Schedule E-5: Quality Control

Schedule E-6: Copies of Educational Materials

Schedule E-7: Critical Incident Reporting

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### **Schedule E-1: Personnel**

All employees will receive a personnel manual upon getting an offer to join MATS. They will be required to sign the policy manual upon signing their respective offer letter acknowledging the contents and agreeing to comply therewith.

#### **Confidentiality of Business Matters and Patient Information**

Each employee will be required to sign a non-disclosure and confidentiality agreement given the level of confidential information available to each MATS employee. Confidentiality violations will be handled on a no-exception basis.

#### **Training**

Training will be an important part of MATS personnel policy. Training will cover cultivation to business operations. All employees will be cross-trained in all facets of the operation for general knowledge and due to the need for cross-utilization given the limited staff total.

#### **Education**

Each employee will receive a generous allocation of education time and dollars during the course of their employment. It has been proven time and again, that a trained employee is a happy and effective employee!

#### **Illegal Activities**

MATS will have a “no tolerance” policy for illegal activities. We will cooperate with local law enforcement officials to be certain that we are in full compliance with all laws and regulations and our employees will be expected to operate at the highest standards in this regard.

#### **Performance Reviews**

Employees will be given performance reviews on an “as needed” basis, but no less than semi-annually. The key to solid employee relations and resulting high

performance is open and effective communications - and this will be the policy of MATS.

#### Safety of workplace

MATS is very concerned about patient and employee safety. One employee will be assigned the specific role of being in charge of safety related issues and compliance thereof.

A separate policy manual will be developed to address overall safety in the workplace issues and will be distributed to all employees upon the commencement of employment.

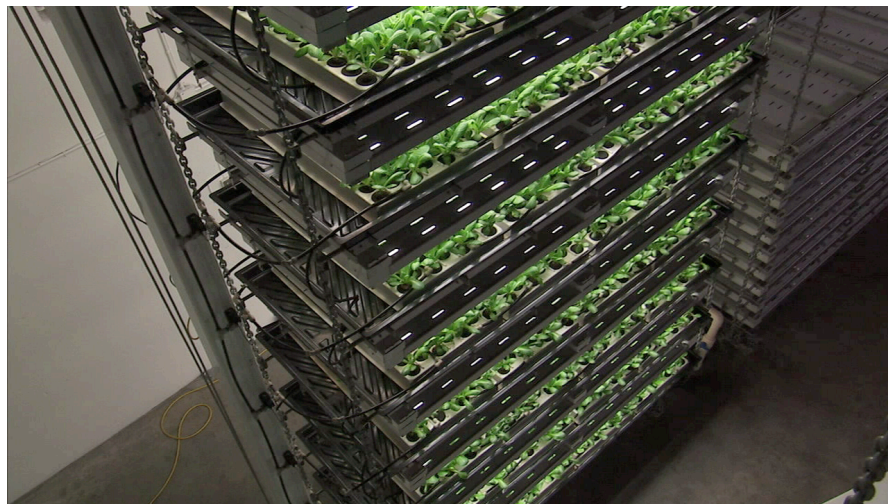
### **Schedule E-2: Growing and Cultivation**

MATS will be using the advanced technology developed by PharmaSphere, LLC. PharmaSphere is a biotechnology company that has state of the art equipment to achieve full environmental containment and controlled growth conditions, which result in increased production and reduced per-unit costs compared to traditional production methods. PharmaSphere will specifically train all MATS employees who are involved in the growing and cultivation area on its technology and the corresponding work methods and flows. Use of the PharmaSphere technology and approach is a huge differentiating factor for MATS. We have selected this technology due to its high level of automation and quality control, which will result in a higher quality, cost competitive product for the patients of MATS.

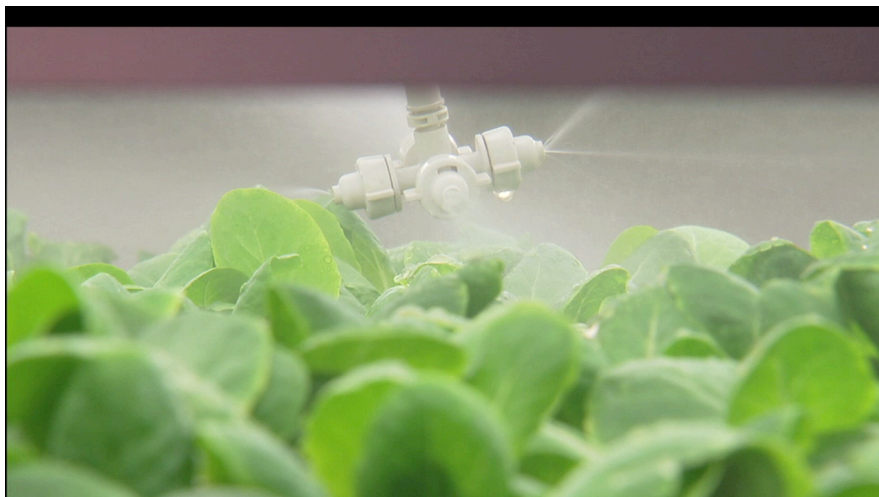
The actual equipment to be used by MATS is being specified by the engineering group of PharmaSphere and will be available by the first week of September 2010. The following are a few photos of parts of the PharmaSphere equipment for illustrative purposes:







MATS will have a comprehensive manual that details the growing and cultivation process from seed to harvest. It will cover matters such as soil type, watering, maturation, plant differentiation, lighting, drying, and other important matters.



### **Schedule E-3: Inventory Control**

The CEO and Treasurer both have over 20 years of experience with complicated internal control environments and will institute inventory control in a professional manner. We will integrate Enterprise Resource Planning (ERP) software to help automate the inventory control process. There are many software suites on the market today that would provide a properly scalable system for handling inventory control for MATS and integrate the information with point of sale (POS) data and automate the reconciliation of any differences. Both the CEO and Treasurer has extensive experience with successfully installing sophisticated accounting control and ERP systems. The Policy and Procedures manual addressed above will incorporate all of the procedures related to inventory control.

Specifically, there will a physical inventory of product conducted once per month without exception. There will be a policy of conducting spot (surprise) inventories on a periodic basis to be certain that inventory procedures are being followed and that there are no unexplained inventory shortages or discrepancies of any kind.

The books and records will reflect inventory balances and will also have specific general ledger accounts to quantify inventory shortages so that controls over those accounts can be highlighted and monitored closely by the management team. There will be procedures in place for dealing with inventory discrepancies and MATS will follow a “no exception” approach in this area.

### **Schedule E-4: Food Preparation**

Food preparation will be conducted to the standard of a state licensed kitchen and the policies and procedures will be set beyond the letter of the law. Employees will be trained as to what is expected of them on a daily basis and will receive periodic reviews of their performance with respect to rules and regulations. There is a guide called “Maine Food Code.” It is a 100-page document that details the code and regulations and MATS will incorporate by reference this guide into its overall Policies and Procedures Manual as strict guidance on compliance in the food preparation area.

## **Schedule E-5: Quality Control**

The Quality Control Manager will handle quality control and will prepare a Quality Control Manual, as the first task, that will be used to carry out this important duty. Consistency of product is almost as important as quality. In addition, the Quality Control Manager will be responsible for training all other employees who may have any interaction with the quality of the product – basically all employees. The PharmaSphere equipment will have a major influence on the control environment of quality control. We will be receiving significant assistance from PharmaSphere in terms of training our Quality Control Manager so that the manager can train the others on an ongoing basis. One of the reasons we have selected this equipment is due to the built in consistency and quality control measures. The entire cultivation and grow process is computer controlled and can be monitored remotely on a constant basis. Additionally, the equipment has built in sensors that can be set to monitor quality parameters automatically.

Additional issues to consider in this area are OSHA regulations. Following OSHA regulations are very important to keep the organization in compliance and to protect our employees' health and welfare on the job. We will have an in-house employee who will be responsible for OSHA education and compliance.

An important externality to quality control is the “environmental impact” of our growing and cultivation process. The criteria for equipment selection included the “net” environmental impact of our processes. The PharmaSphere equipment excels in many areas important to our initial evaluation:

1. Water usage is extremely low and any water runoff is recycled after being filtered. There is no net wastewater created.
2. The required level of soil is extremely limited and is just enough soil for the resulting products to meet “organic” classification guidelines. Excess soil is recycled and there is no net soil waste.
3. The lights used in the process will be of the LED type and they are dramatically more energy efficient than standard lights used by others in the growing process.

### **Schedule E-6: Copies of Educational Materials**

Education materials are also included in the response to Criteria 2, Measure 7

# Discovery Health "How Medical Marijuana Works"

In an ad that aired on TV in New York, a man named Burton Aldrich stares at the camera and tells the viewer, "I am in extreme pain right now. Everywhere. My arms, my legs, are feeling like I'm dipped in an acid." Aldrich is a quadriplegic confined to a wheelchair, and the best treatment for his overwhelming [pain](#), he says, is [marijuana](#). He continues, "Within five minutes of smoking marijuana, the spasms have gone away and the neuropathic pain has just about disappeared."

To some, medical marijuana is a contradiction in terms, immoral or simply illegal. But to Aldrich and numerous people in the United States and around the world, marijuana, or **cannabis**, represents an essential medicine that alleviates debilitating symptoms. Without it, these people wouldn't be able to treat their conditions. Aldrich thinks he would be dead without marijuana. Others, like Dr. Kevin Smith, who was also featured in these pro-medical marijuana ads, can't treat their conditions for fear of breaking the law. Smith says that, save for a trip to Amsterdam where he tried marijuana, the autoimmune disorders he suffers from have prevented him from [sleeping](#) soundly through the night for the last 20 years.

In states in which it's legal, doctors recommend medical marijuana for many conditions and diseases, frequently those that are chronic. Among them are nausea (especially as a result of [chemotherapy](#)), loss of appetite, chronic pain, anxiety, arthritis, [cancer](#), [AIDS](#), glaucoma, multiple sclerosis, [insomnia](#), [ADHD](#), epilepsy, inflammation, [migraines](#) and Crohn's disease. The drug is also used to ease pain and improve quality of life for people who are terminally ill.

So how, exactly, does medical marijuana work to treat these conditions? Why, if this medicine is so effective for some people, does it remain controversial and, in many places, illegal? In this article, we'll take a look at the medical, legal, and practical issues surrounding medical marijuana in the United States. We'll examine why some people, like Burton Aldrich, depend on it to live normally. We'll also examine some of the intriguing intersections between pharmaceutical companies, the government and the medical marijuana industry.

One common question associated with medical marijuana is why use it when so many other legal medications are available? Supporters respond that patients don't simply use cannabis to feel good. Instead, laws that authorize marijuana use for medical purposes work on the belief that certain symptoms and diseases can be best treated with marijuana -- just as two Tylenol may help someone's headache. For example, marijuana has been shown to decrease nausea and increase appetite, which can be essential for patients who are having difficulty keeping down food or maintaining adequate [nutrition](#). For glaucoma sufferers, marijuana helps to lower intraocular eye pressure. Also, some types of pain, such as **peripheral neuropathy**, respond better to marijuana than conventional pain relievers [source: [Grinspoon](#)]. For some cancer and AIDS patients, drugs that are supposed to boost appetite simply don't work. Other patients are tired of using medications that can be considered narcotic, [addictive](#), or dangerous, or that produce [unpleasant side effects](#).

The body of research surrounding the medicinal value of marijuana is extensive. Much of it concerns **THC**, one of the **cannabinoids** in marijuana. THC is what causes people to feel "high" and also what gives cannabis some of its medicinal properties, such as increased appetite. The human body produces **endocannabinoids**, its own natural version of cannabinoids. Studies show that the endocannabinoid system helps to regulate the body's responses "to a variety of stimuli" [source: [Nature](#)]. The body will produce endocannabinoids when needed, but sometimes the effect is very brief. Endocannabinoid receptors are found throughout the body but are especially prominent in the [brain](#). The cannabinoids in marijuana, like THC, bind to these receptors, producing various effects, some medicinal, such as reducing pain or anxiety, but also the feeling of being high. Besides the aforementioned medical uses, research has shown that cannabinoids slow the development of certain cancers [source: [Armentano](#)].

One popular strain of research examines how to extract the medical benefits of cannabis without producing intoxication. One such medication already exists: the pain reliever **Sativex**, based on a natural extract of marijuana and administered as an oral spray.

Then there is **Marinol**, which the DEA describes as the already existing, legal form of medical marijuana [source: [DEA](#)]. Approved by the FDA and used for treatment of nausea in cancer and AIDS patients, Marinol is a pill containing a synthetic form of THC. The DEA says that the legal use of Marinol is analogous to morphine being a legal, safe alternative to smoking opium or heroin [source: [DEA](#)]. ([Morphine](#) is one of many approved medicines extracted from opium.)

But some experts consider Marinol and other synthetic substitutes to be less effective -- and more expensive -- than marijuana. Medical marijuana advocates say that Marinol is a less complete version of marijuana, lacking some of the compounds that make marijuana medically beneficial [source: [NORML](#)]. Smoking herbal marijuana provides patients with a faster acting medication, one whose dosage they can easily regulate. Marinol may also be more psychoactive than traditional cannabis and present its own set of side effects [source: [NORML](#)].

America's first pro-medical marijuana laws were passed in the 1970s. Since then, many such laws have been passed, modified or repealed. Currently, 12 states have medical marijuana laws: Alaska, California, Colorado, Hawaii, Maine, Montana, Nevada, New Mexico, Oregon, Rhode Island, Vermont and Washington [source: [Drug Policy Alliance Network](#)]. Maryland has a law authorizing medical marijuana use, but it doesn't allow patients to grow their own marijuana, and patients can still be fined under the law. Despite these regulations, federal law supersedes state law, so someone can still be arrested and prosecuted for using or possessing medical marijuana, even if it's legal under state law. State laws generally don't legalize buying and selling of marijuana (at least not for profit), but they do legalize possession of it for medical use, following a doctor's recommendation. Medical marijuana laws usually protect from prosecution people designated as caregivers, such as those who take care of sick friends or family members and supply them with medical marijuana. (Again, most laws have a restriction against caregivers' reaping a profit from distributing medical marijuana.) Some of these laws also specify a list of conditions for which marijuana can be recommended.

#### I Love it When You Call me Big Pharma

One popular theory says that large pharmaceutical companies aren't interested in medical marijuana because with so many different strains of the plant, it's difficult to patent. But many natural and artificial cannabis-inspired drug products are in various stages of development and some, like Marinol and Sativex, are available for prescription. These medicines may present more widely accepted alternatives to herbal marijuana, especially among people who either don't have legal access to the drug or want to avoid any stigma associated with it.

Another 12 states have laws authorizing some form of medical marijuana research. Thirty states have laws that recognize marijuana's "medical value" [source: [Marijuana Policy Project](#)]. Some states have passed laws that have been made ineffective through repeal, overriding federal standards or "watered down" legislation. For example, some state laws authorize doctors to prescribe marijuana for medical use, but since it remains illegal under federal law to prescribe the drug -- and pharmacies can't supply it -- the laws are effectively void.

Let's use Washington as a brief example of one of the 12 states with "effective" medical marijuana laws. The state's Medical Marijuana Act allows a patient, with doctor's recommendation, to grow marijuana for his or her own use -- but only an amount that can be considered, at most, a 60-day supply [source: [Washington Citizens of Medical Rights](#)]. The doctor's recommendation is considered valid so long as the doctor continues to act as the patient's health care provider and doesn't revoke the recommendation. On the next page, we'll take a look at California, the figurative poster child of medical marijuana in the U.S., and at what the FDA has to say about the drug.



## Don't Step on the Grass

One estimate says that marijuana may be the biggest cash crop in the United States, with a value in the billions [source:

[Samuels](#)

].

If the medical marijuana movement has a capital, then it's in California. In America's most populous state, where medical marijuana was made legal in 1996 by **Proposition 215**, an entire industry has sprouted up around medical marijuana. There, patients can grow, possess and use marijuana for medical purposes -- after a doctor's recommendation. A patient's primary caregiver may also provide marijuana, though many patients turn to marijuana **dispensaries**.

A 2003 bill updated the law. Now a patient with a note from his or her doctor can grow up to six plants or possess no more than half an ounce of marijuana. But individual counties can also set their own regulations, causing some, like Humboldt County, to relax their standards further. Because of these relatively liberal regulations, numerous medical marijuana dispensaries or co-ops operate throughout the state and in accordance with state law. However, growers, dispensaries and other middlemen often come into conflict with the federal government and federal law enforcement agencies, who conduct periodic raids on larger suppliers. Even so, the federal government almost never arrests actual patients for using medical marijuana.

Many Americans and states share California's opinion that marijuana can be a regulated, monitored drug, medically beneficial when recommended by a physician. But what does the federal government think? Under the **Controlled Substances Act**, marijuana is a **Schedule I** drug, the strictest classification. To give you an idea of what that means, heroin, LSD and Ecstasy are also Schedule I. The FDA classifies it as such because "marijuana has a high potential for abuse, has no currently accepted medical use in treatment in the United States, and has a lack of accepted safety for use under medical supervision" [source: [FDA](#)]. Medical marijuana advocates point to studies that dispute these claims and have filed numerous petitions asking for the FDA to reconsider marijuana's classification as a Schedule I drug.

The FDA's statement refers to evidence that smoking marijuana is harmful. The agency claims that medical evidence doesn't support marijuana as a viable treatment and that alternative treatments exist for most of the conditions that medical marijuana supposedly addresses. The FDA also says that state laws authorizing limited use of medical marijuana go against the stringent regulatory process mandated by the FDA, which is designed to ensure patient and consumer safety. Other federal entities, such as the DEA and Office of National Drug Control Policy, side with the FDA and don't support smoking marijuana for medicinal purposes.

The federal government did run a program from 1978 to 1992 that allowed select patients to receive medical marijuana. Only seven of the original patients are still alive and receiving marijuana through what was known as the **IND Compassionate Access Program**.

Now let's take a look at the practical side of medical marijuana, namely how patients receive it.

§

Since medical marijuana is illegal under federal law and pharmacies are prohibited from supplying it, doctors don't actually prescribe the drug. Instead, they "recommend" it to patients that they feel could benefit from it. (It's important to note that not all doctors support the medicinal use of marijuana and that doctors are only supposed to recommend it after determining that it can be medically helpful to the patient despite any side effects.)

Doctors who recommend medical marijuana write a letter explaining the patient's diagnosis and the doctor's choice of cannabis as treatment. Patients often keep this letter close at hand; some keep it with them at all times. A 2003 law in California allows the state to distribute ID cards to medical marijuana patients, which can serve in place of the recommendation letter.

A doctor's recommendation remains valid so long as the doctor continues to treat the patient and believes the patient should use the drug to treat a condition. Many dispensaries and pro-medical marijuana organizations maintain lists of doctors who are willing to recommend medical marijuana, although this practice has attracted controversy as some doctors appear willing, in exchange for a cash payment, to offer a recommendation for practically any condition.

Since marijuana can't be given out at a conventional pharmacy like Walgreens or CVS and [insurance](#) won't cover it, some patients cultivate their own marijuana or turn to a caregiver for their supplies. Others go to **dispensaries**, which can be legal, depending on state and local law. These dispensaries sometimes call themselves **cannabis clubs** or **co-ops**, or have names denoting health, physical therapy, caregiving or the like. Dispensaries often call themselves **collectives**, claiming that the marijuana sold there is grown by the members, who are all patients. Critics contend that many dispensaries in fact buy marijuana illegally and are open to abuse by people who don't need marijuana for medical reasons. Additionally, varying laws about how patients can get marijuana has created what some call a black market or "gray economy" of marijuana suppliers.

Once a patient has a valid recommendation letter or ID card, he or she simply presents it at a dispensary. A patient may also have to join the dispensary as a member. Following that, he or she can purchase different types of herbal marijuana and numerous marijuana-based products and prepared foods ([chocolate](#), smoothies, cakes, cookies and butter). Since there's no standard dosage for marijuana, patients are left to regulate their own intake of medication.

As far as consuming marijuana goes, many patients smoke it, but it has some side effects, besides producing intoxication. Smoke, of course, isn't good for the [lungs](#). However, the effect is nearly immediate, and some studies indicate that marijuana smoke is less toxic than that from cigarettes. Alternatives to smoking include marijuana-laced foods or using a vaporizer. A **vaporizer** is a device that burns marijuana at a lower temperature than when it's smoked. The vaporizer releases the THC from the plant but produces fewer harmful byproducts. Volcano, one popular model of vaporizer, sells for around \$500. Finally, there are [vending machines](#). The same sort of machines that normally dispense sodas and candy now vend marijuana in a few locations in California, although with strictly controlled access. These machines, operated by medical marijuana dispensaries, require a fingerprint scan and the insertion of an ID card provided by the dispensary. They are monitored by security guards and patients and offer convenient access to the medicine. Operators say they also cut down on expenses, savings that are passed on to the patient.

Silverman, Jacob. "How Medical Marijuana Works." 11 August 2008. HowStuffWorks.com.  
<<http://health.howstuffworks.com/wellness/drugs-alcohol/medical-marijuana.htm>> 18 August 2010.

Excerpted from *Discovery Health "How Medical Marijuana Works"*  
<http://health.howstuffworks.com/wellness/drugs-alcohol/medical-marijuana.htm>



# Medical marijuana

By David Hopkins ([contact David](#))

My name is David Hopkins. I have been asked to write some useful information concerning medical Marijuana and its use

I am also a medical Marijuana grower/smoker. I'm what many would call a "veteran user", having smoked Marijuana for pleasure on and off for the last forty years. I now suffer from an advanced medical condition that causes me severe pain daily, and my weight has fallen from 250 pounds down to 135 pounds in a little over a year. My appetite is practically non-existent as well. Now my reasons for smoking Marijuana have changed. For me and countless others, Marijuana is a safe, effective and predictable source of relief from many medical conditions/symptoms.

It is still, however, illegal in many parts of the world. It can also be a very dangerous outing to try and locate some "dope" from dodgy sorts standing in darkened corners of the street who may just as easily run off with your money, or hand you a packet of something that doesn't even resemble Marijuana. *Buyers beware!* Don't put yourself in illegal and potentially harmful situations just to "score" a little pot for your personal use. Growing your own is a much better...and safer...option. I'll tell you more on that subject a little later.

Having said all that, things are slowly changing for the better. And with continued pressure from those of us who express a real need for this easily-grown natural remedy, the people in public office who compose and enforce these ridiculous laws that we all are expected to abide by will change their narrow-minded thinking and see Marijuana for what it really is. A natural, medical marvel.

My condition has advanced to the point that I now require Morphine Sulphate patches every day. These must be worn constantly, but even morphine patches are not enough to keep my pain completely at bay. So, I supplement the patches with Marijuana that I grow right here in my own home so I can control its overall quality and grow any kind of Marijuana I like. The combination of the two medications makes my life live able. I am able to think more clearly, eat, move around and even "work" on my computer. This gives me the opportunity to tell others who seek more knowledge concerning relief for their own physical problems, about the amazing benefits of this most misunderstood of all plants.

Now that you know a little about me and my recent medical history, we'll move on. You should understand that "Marijuana" and "Cannabis" are two different names that refer to the exact same plant-- Cannabis Sativa. But rest assured that no matter what you call it, Marijuana or Cannabis, they are one-in-the-same plant. "Hemp" is also a variety of this versatile plant, but it's grown for fibre and oil production rather than for THC content. Hemp only contains an average of something like 0.00025 percent THC. In other words, you cannot get "high" by smoking it, no matter how much you consumed. For our

purposes we'll stick to talking about the more familiar Marijuana/Cannabis. But what's in a name?

American's, Canadians, and many other "Western" cultures refer to this wonderful, most helpful weed (and it is exactly that...a weed) as "Marijuana", which originally was a derogatory slang term for young Mexican men who secretly smoked the wild herb a couple of centuries ago in old Mexico. The name somehow attached itself to the plant, and it is known to many as Marijuana to this day.

In most European countries, however, the plant is called "Cannabis" which, of course, is half its proper name. Some of the more common slang terms for Cannabis are: Pot, Reefer, Puff, Ganja, Grass, Pot, Gear, BoB Hope (Dope...Cockney rhyming slang), DirtY DeeD (Weed...Cockney rhyming slang), Herb, Dope, Mary Jane, etc. Slang words for Marijuana and Cannabis may be completely different in your part of the world.

Now, here's a bit of information about the plant itself. There are three distinctly different kinds of Marijuana/Cannabis. They are: Cannabis Sativa, Cannabis Indica, and Cannabis Ruderalis. Cannabis Ruderalis is a variety that grows wild in parts of Eastern Europe and Russia. It's occasionally used in hybrids (an intentional crossing of two different types of Cannabis) to help the resulting plants be better able to cope with the cold weather. It is not generally thought of as a consumer strain, so we'll confine our talk to Sativa's and Indica's.

The "high" a person experiences when smoking a sufficient amount of pure or mostly pure Indica-- such as Warlock or Medicine Man-- is more of a heavy "body stone". You may feel lethargic, tired, unwilling to attend to reality tasks. Experienced users call this "Couch Lock". You really just want to let alone to sit and think deep, intellectual thoughts as you enjoy the pain relief. You may find it very hard to stay awake as well, so this sort of strain would be good for those having trouble sleeping. This is the best sort of "high" for easing pain and most of the other symptoms already listed here. A good Indica/Sativa cross can also offer the best of both worlds. There are many breeders who work hard to develop strains that will accomplish just that-- give you a great head high coupled with a relaxing and definitely medically-beneficial strong body stone.

Sativa's, on the other hand, offer more of a "head high". This type of high is the one most associated with hilarious fits of laughter, long discussions about nothing, enhanced audio and visual senses. You hear things in songs you've never heard before, see things in movies you've watched a dozen times but never noticed before. Strolling through brightly-lit malls becomes a whole new and exciting adventure. In other words, smoking a pure Sativa or mostly Sativa hybrid will make you feel great! Energetic and social and ready for fun! And depending on the particular strain of Sativa/Indica cross you smoke, you may get a good measure of pain relief in the deal as well. Consuming (eating) either strain or hybrid of the two results in a stronger, longer-lasting high. But it doesn't feel as good as smoking the herb does to many who have tried it. It's a matter of experience and personal taste. It really depends on what effect you are looking for when making your seed selection and choosing a way to ingest it.

Now, here's a bit of boring, but very important, information regarding the weed you're interested in smoking or eating. You should always find out as much about something you're going to put into your body as you can, *before* you try it.

THC (Tetrahydrocannabinol) is the psychoactive component present in Cannabis. In other words it's the component in Marijuana that gives you the pleasant "high" feeling. But it doesn't work alone to produce that feeling. There are a cocktail of chemical components found in Cannabis. Recent research has proved THC to be medically useful.

CBN is a non-psychoactive agent, and is the component that makes the weed smell and taste so nice after it's harvested and cured properly. It can also cause drowsiness and other similarly unwanted, but mild, side-effects.

Different strains help different types of medical conditions. Some of the additional chemical components found in Marijuana are: Cannabigerol (CBG), cannabichromene (CBC), cannabidiol (CBD), delta-8-THC, cannabicyclol (CBL), cannabinol (CBN), cannabitrilol (CBT), cannabavarin (THCU). All are known to have psychoactive and pharmacological effects.

Animal testing has shown that CBN and THC reduce IOP (intraocular pressure), but CBD does not. CBD has, however, been found to have anxiolytic and antipsychotic effects. Also, unlike THC, CBD alone is not effective in treating pain. Though it does act as a sedative and can relieve muscle spasms. Medical studies also show CBD can improve sleep. CBD is also reported to be effective for treatment of dystopias, Huntington's disease, Parkinson's disease, and neuropathic conditions.

The most desirable strains for medical use are ones that have been genetically developed by experts to have an extremely low CBN concentration while maintaining an available range of THC concentrates. These include: "Durban Poison" ([Nirvana Seeds](#)), "Haze" ([Nirvana Seeds](#)), "Reclining Buddha" ([Soma Seeds](#)), "Power Plant" ([Nirvana Seeds](#)), and "Skunk #1" ([Dutch Passion Seeds](#)).

*Note: I offer no testimonial to the standing-- good or bad-- of any of the seed banks listed above. I am simply guiding you toward sites where these particularly-beneficial seed strains are readily available. DH*

Cannabis has been claimed to help with a large number of wide-ranging symptoms. However, research has concluded three major properties which are medically useful. Cannabis is:

- an analgesic (relieves pain)
- an anti-emetic (relieves nausea and vomiting)
- an appetite stimulant (induces hunger)

A very large and growing community of people with medical complaints such as severe chronic pain use Cannabis for medicinal purposes without the after-effects and damage associated with many of today's commonly-prescribed medications. Typically, medical Cannabis use is practised by AIDS and MS patients, but it is certainly not limited to just

these conditions. THC is also one of the safest active substances known to man, and has a wide variety of therapeutic applications including, but certainly not limited to:

- Reduction of muscle spasms.
- Relief from chronic pain.
- Relief from nausea and increase of appetite.
- ***Marijuana is frequently beneficial in the treatment of the following conditions:***
- AIDS. Marijuana can reduce the nausea, vomiting, and loss of appetite caused by the ailment itself and by various AIDS medications.
- Glaucoma. Marijuana can reduce interocular pressure, thereby alleviating the pain, and slowing -- and sometimes stopping -- the progress of the condition. Glaucoma is the leading cause of blindness in the United States. It damages vision by increasing eye pressure over time.
- Cancer. Marijuana can stimulate the appetite and alleviate nausea and vomiting, which are common side effects of chemotherapy treatment.
- Multiple Sclerosis. Marijuana can limit the muscle pain and spasticity caused by the disease, as well as relieving tremor and unsteadiness of gait. Multiple sclerosis is the leading cause of neurological disability among young and middle-aged adults in the United States.
- Epilepsy. Marijuana can prevent epileptic seizures in some patients.
- Chronic Pain. Marijuana can alleviate the chronic, often debilitating pain caused by myriad disorders and injuries.
- Many patients also report that Marijuana is useful for treating arthritis, migraine, menstrual cramps, alcohol and opiate addiction, depression and other debilitating mood disorders.

*Nearly all medicines have toxic, potentially lethal effects. Marijuana is not such a substance. There is not a single record in the extensive medical literature describing a proven, documented, cannabis-induced fatality. Simply stated, researchers have been unable to give animals enough Marijuana to induce death. In practical terms, Marijuana cannot induce a lethal response as a result of drug-related toxicity. In strict medical terms, Marijuana is far safer than many foods we commonly consume. Marijuana, in its natural form, is one of the safest therapeutically-active substances known to man. DEA Administrative Law Judge, FL Young, 1988*

**Here are some great sources for individual research regarding Medical Marijuana and its use, trends, current laws, etc., Additional reference material can also be found at these Internet addresses.**

<http://www.ama-assn.org/ama/pub/category/13625.html>

<http://www.marijuana-as-medicine.org/>

<http://www.csdp.org/news/news/medmar.htm>

## **Schedule E-7: Critical Incident Reporting**

Critical incident reporting relates to a number of possible circumstances. MATS will create a Critical Incident chart as part of its Policy and Procedures Manual and all employees will be aware of the severity of each category of event and how to report accordingly.

Examples of critical events that warrant reporting are the following:

1. Violation of confidentiality in all forms
2. Injuries or violence in the workplace
3. Loss of inventory
4. Employee fraud or dishonesty
5. Theft, vandalism, or the commission of any crime
6. Fire or any destruction of property
7. Violation of any law in general

Reporting of Critical Incidents will be required and management's job will be to remedy the situation, if possible. Many critical incidents are the result of situations that were neglected and need to be repaired by instituting additional controls or modifying existing procedures. Risk management, (for the future), can come as a result of correction of an issue that caused a critical incident in the first place.

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# **CRITERIA**

## **1 and 2**

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**Criterion 1: Submission of Required Information Regarding Applicant and Facility (up to 25 points)**

***Measure 1:***

The applicant shall provide the legal name of the corporation, a copy of the articles of incorporation and by-laws of the corporation. [no points assigned]

**RESPONSE TO MEASURE 1**

The legal name of the corporation is Maine Alternative Treatment Solutions, Inc.

Please see attached Articles of Incorporation and by-laws of the corporation.

***Measure 2:***

The applicant shall provide the proposed physical address(s) of the dispensary and up to one site where marijuana may be grown, if a precise address has been determined. [no points assigned]

- ✓ For each proposed physical address, provide legally binding evidence of site control sufficient to enable the applicant to use and possess the subject property.
- ✓ If the applicant indicated that a precise address has not been determined, the applicant has at least identified the general location(s) where the facilities will be sited, and when.

**RESPONSE TO MEASURE 2**

**Dispensary:**

MATS has not identified the final location for the dispensary. A number of locations in District 1 have been reviewed and a final decision will be made after the selection process is completed. There are a number of issues related to Moratoriums in place in specific desirable towns. The MATS management has significant real estate expertise. Once the license is issued, the team will build the case for the right dispensary location –

even if it is located in a town where there is a Moratorium. Many towns enacted the Moratorium when the Maine law passed. Generally, the reason for doing so was the lack of regulations being in place to give town leaders guidance for how to proceed in these uncharted waters. Since licenses have been issued for the first round of dispensaries, there has been significant progress reached in this area and much of the uncertainty has been removed. The MATS team is very confident that sites can be located and properly negotiated between the town leaders and property owners.

Growing Location:

Proposed location is 17 Pomerleau Street, Biddeford, ME

See the attached Letter of Intent regarding this proposed property. Biddeford is a town where a Moratorium is currently in place with respect to Medical Marijuana Dispensaries. The Moratorium does not address the growing of medical marijuana. In the event that the Moratorium is deemed to apply to a growing facility too, then MATS will either negotiate with town officials or will locate another site in a town that is as desirable, but does not have legal barriers to starting the business. The bottom line is that there is no shortage of District 1 real estate available to lease or purchase. It is very much a buyer's market in the current economic state and will be that way for the near-term future. The growing location we have selected is strategically located in the neighborhood of Southern Maine Medical Center (SMMC). SMMC is described as follows:

“Southern Maine Medical Center (SMMC) is a nationally accredited, award-winning medical center offering excellent clinical care that is compassionate and attentive to each patient's individual needs.

SMMC has been recognized as one of the Top 10 Hospitals in the Nation for overall patient satisfaction for 3 years in a row, and Best in the Nation for Outpatient Services four years in a row, as judged by hospital patients in an independent national AVATAR survey. SMMC was also awarded three Blue Ribbons – the highest possible rating - by the Maine Health Management Coalition. This award is based upon quality data, and makes SMMC a preferred hospital in Maine.

In conjunction with a medical staff of over 200 highly-skilled primary care physicians and specialists, SMMC offers residents and visitors of southern Maine exceptional and convenient emergency and fast track care as well as inpatient care at our 150-bed medical center located just off Exit 32 of I-95 in Biddeford. Additionally, SMMC offers high-quality home nursing care through affiliate SMMC Visiting Nurses, community education and prevention programs, and a full range of outpatient services at our diagnostic and therapy centers in Biddeford, Saco and



Kennebunk. SMMC is Joint Commission accredited, state-licensed and a member of the MaineHealth network.”

MATS will continue to pursue the Biddeford location, but is open minded to other available locations and can move quickly to sign up a mutually acceptable location.

***Measure 3:***

The applicant shall provide evidence of compliance with local codes and ordinances for each physical address which will be used for dispensing and growing marijuana under the MMMP, and that neither location is within five hundred (500) feet of a preexisting public or private school boundary.  
[no points assigned]

**RESPONSE TO MEASURE 3**

Applicant aware of the local codes and ordinances and is committed to comply with all including the 500 feet separation from schools.

Members of the management team have many years of combined real estate experience and extensive experience related to zoning and general compliance with real estate regulations.

***Measure 4:***

The applicant shall describe the enclosed, locked facility that will be used in the growing and cultivation of marijuana, its security measures, as required in the rules, and whether it is visible from the street or other public areas. [up to 5 points]

**RESPONSE TO MEASURE 4**

The building to ultimately be selected for growing and cultivation will be of sufficient size to assure an adequate supply of inventory. Within the growing facility we will install state of the art growing equipment as described within this application. The building will have adequate passive and active security to prevent theft or intrusion.

The building will be part of a totally secure and separate location. There will be no evidence of the source of the activity within the building and there will be no view into the building. There will be no identifying signage on the building. See the quote from ADT, which summarizes the level of security that MATS is planning to install.

See the Building LOI in the Supporting Schedules.



***Measure 5:***

The applicant shall provide the name, address and date of birth of each principal officer and board member of the dispensary, along with a photocopy of their driver's license or other state issued identification card. [no points assigned]

**RESPONSE TO MEASURE 5**

See the Application for this information.

**Measure 6:**

The applicant shall provide a list of all persons or business entities having direct or indirect authority over the management or policies of the dispensary, and a list of all persons or business entities having 5% or more ownership in the dispensary, whether or not the interest is in the land or buildings, including owners of any business entity which owns all or part of the land or building. [no points assigned]

**RESPONSE TO MEASURE 6**

Peter A. Phelps (direct authority)

Michael Liberti (indirect authority)

Robyn Carey (indirect authority)

Landlords of proposed real estate (no authority)

**Measure 7:**

The applicant shall provide the identity of any creditor holding a security interest in the premises, if any. [no points assigned]

**RESPONSE TO MEASURE 7**

There are no security interests in the proposed leased properties.

**Measure 8:**

The application shall include the required signed cover letter, and the completed application form supplied by the department. [no points assigned]

## **RESPONSE TO MEASURE 8**

Signed cover letter and the completed application form are included as part of this package.

### ***Measure 9:***

The applicant shall describe how the dispensary will operate on a long-term basis as a non-profit organization and a business plan that includes, at a minimum, the following: [up to 20 points]

- ✓ A detailed description about the amount and source of the equity and debt commitment for the proposed dispensary that demonstrates the immediate and long-term financial feasibility of the proposed financing plan, the relative availability of funds for capital and operating needs; and the financial capability to undertake the project.
- ✓ A copy of the proposed policy regarding services to registered patients who cannot afford to purchase marijuana for medical purposes.
- ✓ The application indicates whether or not the applicant will accept unused excess marijuana from registered patients or caregivers, the process for assuring that the marijuana is not adulterated (how it will be tested) and how it will be redistributed (cannot be sold) to those registered patients who cannot afford marijuana for medical purposes.
- ✓ Projected income statements for the first three (3) years after implementation (forms to be supplied by the department).

## **RESPONSE TO MEASURE 9**

A non-profit business is started to provide a service to society that goes beyond the normal business goal of “making a profit.” But, for a non-profit to survive and achieve its stated purpose, it has to be set up to run in such a way that it covers its costs and has enough working capital left over to sustain the non-profit for an indefinite period into the future.

The top priority of MATS is to provide patients and caregivers with the best care and service possible supplemented by the best product available to meet their respective needs. We are building MATS to do just that.

The initial team we have assembled has a combination of capital, non-profit experience, medical services, product growing technical expertise and general business experience. Mr. Phelps is a CPA and has extensive business and consulting experience. He has been involved in public accounting for seven years, private equity for twelve years, and was a CFO of many companies over the course of his career. During the course of his career, he has been involved with many non-profit organizations and understands the needs and requirements of that sector. Dr. Liberti has been a Chiropractor for the last 20 years and also has extensive experience with real estate. Ms. Carey has been employed in the service industry for more than 20 years. She also has significant experience in terms of internal controls with respect to these service industries. This impressive combination of “real world” experience will go a long way in contributing to the expected success of MATS.

Included within is a non-binding \$500,000 letter of intent from Atlas Advisors, LLC. This level of capital commitment will provide the seed support to get through the losses in the start up period, and will provide growth capital as MATS expands and has working capital needs during the period it is meeting market demand.

The team as a whole has over 60 years of combined business experience that cover the continuum from venture-backed startups to self-funded medical services to larger organizations. Two members of the team have extensive accounting and financial experience that will assure that budgets are properly prepared and that the goals of MATS will be achieved without running out of cash prematurely. We have many years of non-profit experience as a team also. Finally, we have significant experience in real estate and will have little trouble negotiating favorable leases on the various properties that have been identified for growing product or as the dispensary.

Income statements for the first three years are included with this application. The financials indicate that capital will be used during the start up period to cover operating deficits. After the start up period, the business will repay the borrowed funds as patients are attracted and revenues begin to exceed expenses. The Projections are constructed using conservative principles to ensure that MATS will not be underfunded. The projected revenue is based on estimates of the needs and financial resources of the District’s population. The pricing of medical marijuana is expected to be slightly below estimated street price to avoid the issue of patients legally purchasing medical marijuana and then reselling it at higher prices to offset the legal price. Low-priced medicine for patients is certainly a goal

we strive for, but the realities of the illegal market need to be factored in the pricing decision.

Contributions to the community are a goal of MATS. Once MATS exceeds operating break-even, the level of contributions to community will increase measurably.

MATS completely understands that not all patients in need will have the financial resources to afford to purchase medical marijuana at the price levels stated in the Projections. Therefore, MATS will provide access to medical marijuana to patients who are properly registered in Maine through a subsidized care program based on the specific patient's financial needs.

MATS does not intend to accept unused excess marijuana from registered patients or caregivers due to the uncertainty of the quality and other possible contamination issues. MATS believes that sufficient quantities of medical marijuana will be distributed under its subsidized programs to cover the needs of registered patients who can not afford medical marijuana.

## **Criterion 2: Overall Health Needs of Registered Patients and Safety of the Public [up to 75 points]**

### ***Measure 1:***

The applicant demonstrates their proposed location will be convenient for registered patients and caregivers. [up to 10 points]

### **RESPONSE TO MEASURE 1**

MATS is continuing to negotiate on possible space for the dispensary. The real estate we are seeking will be conveniently located in District 1 – probably a short drive off the Maine Turnpike since the county travels north and south and the Turnpike bisects the District. Patients and caregivers will then be able to get to the location from anywhere in the District via a convenient route. The ideal site will be located a short distance from Southern Maine Medical Center and 2 miles from the growing facility.

The building will be set back from the road and will have convenient parking. We also expect to locate in an area that is near other medical facilities.

We will not compromise on a marginal location that is not convenient for registered patients and caregivers.

MATS also plans to offer a delivery service to meet the needs of patients who cannot travel.

### ***Measure 2:***

The applicant demonstrates a steady supply of marijuana for medical use will be available to the projected number of registered patients. [up to 10 points]

- ✓ There is a start-up timetable, which provides an estimated time from registration of the dispensary to full operation, and the assumptions used for the basis of those estimates.
- ✓ The applicant shall demonstrate knowledge of organic growing methods to be used in their growing and cultivation of marijuana.

- ✓ The applicant shall demonstrate that steps will be taken to ensure the quality of the marijuana, including purity and consistency of dose.
- ✓ The applicant discloses the various strains of marijuana to be dispensed, and the form(s) in which marijuana will be dispensed.

## **RESPONSE TO MEASURE 2**

### **Start up**

MATS has a projection for start up operations. At best, this is an educated guess as to possible activity. Behind the projections, we had to make estimates of the number of patients and caregivers who will utilize the MATS dispensary. Inventory balance is a complicated calculation – excess inventory is less of a problem than no inventory in terms of customer service. Further complicating the matter is the question of product mix. To simplify matters, MATS is starting off with a product mix that will be less complicated and will adjust the mix over time as demand can be predicted more reliably.

The assumptions are build upon industry averages that we have researched and the averages were weighted slightly lower due to demographics in the District. From the assumptions of demand, we have backed into a production schedule, which will meet the projected demand. The production schedule is assumed to be a 90-120 day cycle from start to harvest, curing and drying time. Initial start from seed is pegged from the dispensary registration date.

A Startup Table is included below as part of the Application. Start up estimates have been built to logically get the operation off the ground by trying to balance the equation of trying to not waste start up capital while balancing patient and caregiver needs.

Based on the timetable, MATS will be ready to dispense medical marijuana around the start of 2011. Revenue for the 2010 start up period has been set to \$-0- due to the timing of the cultivation period.

The time period from registration to full operation will be approximately 2 weeks. We have the building lined up and the equipment is ready for delivery as soon as the license is awarded.

### **Organic Growing**

Organic growing is one of the reasons we selected the PharmaSphere equipment. The equipment provides MATS with a turnkey method to deploy



organic growing methods. The equipment manufacturer will assist us via training and installation to utilize the unique capabilities of the equipment in the manufacturing process. Additionally, we will hire a Manager who will be highly skilled in the discipline of organic growing. In the current Maine economy, hiring skilled workers is not an obstacle. We are looking forward to helping expand Maine's job creation in a meaningful way. The best way to create new jobs is to create funded new businesses.

### **Quality, Consistency and Purity**

In terms of the quality of the marijuana, again, the equipment and manufacturing methodologies utilized by MATS will contribute to the quality of the product. As mentioned previously, the PharmaSphere equipment is computer controlled to measure and control production. Controlled production will help to ensure a quality product is produced. But, one cannot rely on computers to apply common sense. Managers will be trained to demand the production of a quality product and will be held to task to make this happen. Consistency and purity will be scientifically measured and reported. Adjustments will be made to ensure that consistency is being achieved or processes will be changed to make it happen!

### **Strains and Forms of Marijuana to be disbursed**

Medical marijuana has pushed science to its limits in developing new strains for specific purposes. There has also been genetic engineering that leads to unlimited possibilities of cross-fertilization. All has been done in the name of providing specific solutions to specific problems. There is not overall answer to the best strain – this is evolving over time. MATS will be at the forefront of providing proper patient and caregiver solutions to meet their needs. We will seek out experts in the field to assist with the proper matching of strains to ailment needs. There is a lot of information available and we will be diligent in terms of digesting this information to provide the best service to our constituents.

At first, we are not going to be overly creative in terms of different forms of marijuana to be disbursed. We are going to have an ear to the patients and customers and adjust our offering to meet their needs. Certainly, we will cover the basics in the beginning until we have enough information. We will offer marijuana for smoking and vaporizing. We will offer capsules because for many that is the preferred method of treatment. We will experiment with food products and creams for topical use for back ailments for example also. Between patients, caregivers and interested physicians, it will

not take MATS long to adjust its product mix to satisfy the needs of registered users.

***Measure 3:***

The applicant will demonstrate experience running a non-profit organization or other business. [up to 10 points]

**RESPONSE TO MEASURE 3**

The management team brings over 60 years of experience to the table for the benefit of MATS. See the resumes included at the end of the Application.

Mr. Phelps has been a CFO and Board member of many companies over the years and has been involved in many non-profit organizations as part of that experience. For example, he was an auditor for the following non-profit organizations: United States Postal Service, the Metro in Washington DC, the National Symphony Orchestra. He has worked in public accounting with two “Big 4” accounting firms. He was a principal in a private equity firm for 11 years where he had the responsibility of overseeing 35 portfolio companies. One of the portfolio companies was called Learning Services Corporation and was involved in the business of providing care to individuals who has suffered head trauma injuries. He later founded a Small Business Investment Corporation (SBIC) that co-invested with the United States Government in a number of qualified small businesses. He later joined venture-backed LINUX-related company – took the company public and then sold the public company to another publicly traded company for a huge premium over the IPO price level. Most recently he has been involved in complicated consulting projects that involve turnarounds, raising capital, or recapitalizations. He has also been involved, as an auditor for the last six years with a non-profit called the Mahoosuc Land Trust (MLT). Currently, he is on the Development Committee for the MLT. He is also very active in Rotary International and the Chamber of Commerce.

Dr. Liberti is a practicing Chiropractic Neurologist and has maintained a private practice for over 25 years. The last 12 years have been in Bethel Maine. In addition to his practice Dr. Liberti has been a managing partner in Mt. View Real Estate Development, LLC and Maine

Mountain Properties, LLC. These two companies have developed over 600 acres of land into two of the most successful vacation home developments in the Sunday River resort region. Dr. Liberti was intimately involved with the extensive permitting process at both the state and local level needed to complete these projects.

Dr. Liberti has a long history of community involvement and volunteerism. He is a Past President of the Saugus, MA and Bethel, ME Rotary Clubs. Dr. Liberti has travelled on three occasions to South America as part of volunteer medical missions to treat cleft palate and cleft lip conditions of indigent children. His last trip was as the team leader of a 38-member team made up of medical professionals from 8 different countries.

Ms. Carey has had a successful career mostly in the finance and accounting area. Many of her positions have related to service industries in adult recreation. She understands how service businesses tick and what controls have to be in place for them to operate at a pace that generates positive cash flow. Ms. Carey has been a Controller and VP of Finance for some of the largest ski and 4-season resorts in the east. In that capacity, she served as Treasurer on several Homeowner Association Boards successfully implementing sound annual budgeting tools and practices as well as developing 15-year capital expenditure models. While at Sunday River Ski Resort, she established the Sunday River Region Charitable Fund, an employee charitable contribution program with the Maine Community Foundation.

#### ***Measure 4:***

The applicant demonstrates that its plan for record keeping, inventory, quality control and security and other policies and procedures will discourage unlawful activity. [up to 20 points]

#### **RESPONSE TO MEASURE 4**

Record keeping, inventory, quality control and security and other policies and procedures are the core competency of the management team. The 60 years of combined experience will bring what it takes to the table to discourage unlawful activity.

From the beginning, MATS will have internal controls in place to satisfy this measure. In fact, Mr. Phelps and Ms. Carey are both very familiar with the SAS 70 and ISO 9000 family of standards and will strive to put as many concepts of these standards into place at MATS. Some are impractical for a small non-profit, but many can be adjusted to fit this environment.

Specifically, we understand that there are laws governing the level of inventory that is acceptable and we will comply with those laws. In terms of measurement, we will also have an accounting system that keeps track of inventory properly and will use RFID technology to track inventory movements. As mentioned elsewhere, we will have frequent physical inventories and will compare against the perpetual inventory records and will investigate all variances between the physical inventory and our perpetual records. We will have procedures in place to track the movement of inventory from “cradle to grave” so to speak. We will set variances materiality limits that are very low to ensure that records do not get sloppy and that all employees understand the serious nature of compliance in this area.

Security will be very high throughout this operation. We will use technology to monitor activity and background checks on employees will help ensure a solid level of honesty in the workforce. See the attached specs from ADT. We have this highly rated security company to deliver us a high level system to alleviate any physical security concerns. If there is a security breach, it will most likely be recorded on the real-time video monitors.

There will be internal controls in place to monitor patient purchasing activity to make sure that there are no violations of monthly purchase limits. If a patient is attempting to purchase amounts in excess of the limits, the system will automatically trigger an alert to disallow the purchase.

Physical measures will also be taken to prevent employees’ theft. For example, disallowance of personal bags from areas where inventory is located. Others specifics will be addressed in the policies and procedures.

### ***Measure 5:***

The applicant fully describes a staffing plan that will provide accessible business hours, safe growing and cultivation, and maintenance of confidential information regarding grow sites and the identity of patient information. [up to 20 points]

## **RESPONSE TO MEASURE 5**

Maintenance of privacy is job number one. Any violation of patient privacy will be grounds for immediate dismissal with a no tolerance policy.

MATS intends to follow the rules of HIPAA. Many smaller organizations believe that the HIPAA rules are too complex for anything less than a large organization, but that is not true. The management team of MATS is capable of understanding and executing on the theme of these rules to protect patient privacy.

Per HIPAA's information, "the HIPAA Security Rule, which sets national standards for the security of electronic protected health information; and the confidentiality provisions of the Patient Safety Rule, which protect identifiable information being used to analyze patient safety events and improve patient safety." There is no acceptable excuse for not protecting personal information that must remain confidential.

The staffing plan will be comprehensive. Per the financial projections, the staffing over the next three years will be as follows:

<b>Personnel Categories</b>	<b># FTE's</b>	<b># FTE's</b>	<b># FTE's</b>
Administration	5	5	7
Sales	3	5	7
Cultivation	7	7	8
TOTAL	15	17	22

With this level of staffing, MATS will be able to have adequate internal controls, adequate business hours and the ability to produce sufficient medical marijuana to satisfy the requirements of the patients and caregivers. Beyond the staffing level, MATS is committed to use technology to leverage the staff and make the overall enterprise more productive. As stated elsewhere, the equipment we have committed to utilize will effectively replace a number of full time equivalent employees (FTE). We will effectively reengage the "displaced by technology" employees in other areas that require the human touch. For example, reading educational materials is helpful, but a human explaining it carries more weight and shows a higher level of care on the part of the organization. Staffing can also be adjusted away from production to focus more on compliance. As stated elsewhere, we are going to hold MATS to higher level of standards than small organizations are used to – Enterprise Resource Planning (ERP), SAS 70 / ISO 9000 and

HIPAA are lofty goals for an organization with between 15 and 22 employees, but it can be done if technology is utilized to help with compliance and employees are given the proper tools to be productive in their respective jobs.

Training of the staff will be very important in this area. We will have job descriptions that employees understand and we will provide job performance reviews based on achieving goals that were preset from the beginning in the job descriptions and identified as performance goals. Employees will react properly if communication is effective and they what is expected of them on the job.

Staffing will be organized to cover the requirements of the non-profit business. The financial projections indicate that MATS will have adequate funding to do what is needed to cover all bases of the business. Many for profit start-ups have shoestring funding and cannot cover all bases and short cuts have to be taken. In this business, we cannot afford to take shortcuts because mistakes will be catastrophic. That is why we negotiated a financing commitment that gave us enough cushion to make things happen when revenues are less than the start up expenses. As revenues increase, funding will be less of an issue, but the early days are usually the most critical and we are well funded to meet the needs of that period.

It is expected that the business hours will be long to cover the needs of patients and caregivers. Hours of 9 to 5 are no longer responsive to dual working couples or people who have difficulty obtaining transportation during average business hours. Cultivation and growing will work the hours needed to produce the product demand. Dispensary hours will be 8-7 five days a week, and 8-5 on Saturdays. These hours should meet the demand of our patients and allow the employees to have time for pursuing their own favorite activities too. We will keep track of peak and off demand and make adjustments to the hours as necessary.

### ***Measure 6:***

The application indicates consent to pay for state and federal background checks, including fingerprinting for all proposed and future registry cardholders. [no points assigned]

## **RESPONSE TO MEASURE 6**

MATS understands the need for background checks and consents to pay for state and federal background checks for all proposed and future registry cardholders.

### ***Measure 7:***

The application reflects a strong patient education component. [up to 5 points]

## **RESPONSE TO MEASURE 7**

Patient information with respect to medical marijuana is extremely prevalent as this is a very key topic to many. Examples of the educational material are added below for reference purposes:

# **Issues linger as patients seek medical marijuana | Cannabis News**

As the first state-issued medical marijuana identification cards were mailed out, local law enforcement remains concerned about the law's loopholes and inconsistencies.

Those gray areas already are being tested, including one case in Livingston County in which an attorney will appeal a judge's decision that the state's new medical marijuana law does not retroactively apply to his client, who allegedly grew marijuana in his backyard for medicinal purposes.

"The way the law is written, it's a terrible, terrible law," Howell Police Chief George Basar said. "Various pieces of this law will end up in litigation for years." Michigan's medical marijuana law went into effect in December, making Michigan the 13th state to embrace the controversial pain treatment. Sixty-three percent of the state's voters said yes to the law.

The law took full effect this month, as the Michigan Department of Community Health began processing applications for state identification cards needed to verify a person was using marijuana for medicinal purposes.

The department received 16 applications for the medical marijuana identification card during the April 4 weekend the cards became available. Two weeks later, the state had received 483 applications — an average of 54 applications per day.

As of Friday, the state had received 810 applications. Of that number, 150 people were approved for state-issued IDs, which were mailed Friday. Twenty-eight people had been denied for reasons including not providing the proper Social Security number; not signing the application; not having proper medical documentation; and not having the proper ailment as outlined under the law, said health department spokesman James McCurtis Jr. Paul Stanford, executive director and founder of the nonprofit group that runs The Hemp and Cannabis Foundation Medical Clinic in Southfield, said the bill's passage shows that marijuana for medical purposes is not controversial to the public.

"It's better than alcohol; it's much safer than alcohol," he said. "When marijuana is taxed and regulated, industrial hemp will return to its rightful place in the community." Basar, who is the president of the Michigan Association of Chiefs of Police, said proponents of the issue tugged on the heartstrings of Michigan residents, who didn't read the law well enough to understand the pitfalls. Residents believed "if it makes a patient feel better, OK," he said.

"It's a very, very small segment of the population that may or may not have a medical need, and there's another way to address that medical need than smoking marijuana," Basar said.

Former Livingston County resident Stephanie Annis, who has suffered from chronic pain for 10 years, disagrees.

Annis, 30, who now lives in New Hudson, has Crohn's disease, which is an inflammatory bowel disease that causes inflammation of the digestive tract. She said she has taken a number of medications a month that "could fill a cereal bowl," and tried Marinol, a prescription medication comprised of synthetic tetrahydrocannabinol. THC is the active ingredient in marijuana. She says the pill form is "much stronger than the natural herb."

"When you deal with chronic illness, it can be debilitating," Annis said. Brighton resident Douglas Orton said he finds that marijuana has helped him manage his hepatitis C.

"I find it alleviates the pain," he said. "I'm more sociable and able to get out and talk to people. It has helped me in numerous ways."

Qualifying patients under Michigan's law are those who have a debilitating medical condition such as cancer, HIV or AIDS.



Michigan's medical marijuana law allows a patient, with a doctor's recommendation, to register through the MDCH to possess up to 2.5 ounces of cannabis and cultivate up to 12 marijuana plants in an enclosed, locked facility, such as a closet, room or other enclosed area.

A caregiver can cultivate up to 12 marijuana plants per patient. Each caregiver is limited to five patients.

Law enforcement officials have issues with the amount of marijuana allowed. Narcotics officers estimate each plant can produce 1 pound of marijuana, an amount that fills a large freezer bag, while an estimated 1 ounce of marijuana can fit into a sandwich bag. "That's far more than an individual can use," Basar said. "What happens to the excess?" There also are inconsistencies in the state's law.

While patients can legally grow up to 12 plants, they cannot legally obtain the seeds or first plant to grow what they need for medical purposes. "It would seem to me if the base material is illegal, is not the whole crop illegal?" Basar asked.

Unlike California's law, Michigan will have no public dispensaries that sell marijuana, but there is a Farmington Hills business — [traintogrow.com](http://traintogrow.com) — that is a seminar-style training session that advertises hands-on cultivation training. The first training session will be held from 6-10 p.m. Monday at the Hilton hotel in Novi. The fee is \$100. Ronald Vandebrook, former adjunct professor at Oakland Community College and owner of [traintogrow.com](http://traintogrow.com), said participants will learn more about the law as well as cultivating marijuana.

"I'm going to teach other people how to grow it and how to cultivate," he said. "I'm a patient who can help other patients."

Vandebrook, who says he suffers from Type 2 diabetes and a herniated disc, is trying to establish the MaryJane University, which he says will offer a curriculum including classes geared toward caregivers and how to use marijuana in food.

Basar said defining some areas of the law, however, are going to be problematic. For example, he said, homeless people can get medical marijuana as defined under the law. However, the chief noted, how can homeless people ensure that their marijuana will be enclosed in a locked facility as required under the law?

Another loophole, Basar said, is a provision that says if a person is caught with marijuana and later claims to need it for medical reasons that person can apply for the state ID and, if granted, be protected from prosecution.

That is the defense both Hartland Township resident Ryan Andrew Burke is pursuing in Livingston County Circuit Court and Robert Dickson is pursuing in the Macomb County community of Chesterfield Township.

Burke, 23, is charged with possession of marijuana with intent to deliver, a four-year felony; and a misdemeanor charge of possession of marijuana after undercover narcotics officers received a tip Aug. 18 that he was growing marijuana in his home. His attorney says the marijuana is needed for medical purposes, but Circuit Judge David Reader said the law did not retroactively apply to Burke's case.

However, in a separate case in Tuscola County, a judge ruled in February that the law did apply retroactively.

Dickson, 53, was arrested in May for marijuana possession and his case has been adjourned for 30 days while he applies for his ID card.

Livingston County Undersheriff Michael Murphy said there also is concern about the potential for fraudulently reproducing the state-issued identification card and whether officers can verify just who is legally able to possess marijuana.

"This whole thing is going to be a mess," he said. "With a concealed pistol license, we can check LEIN (the Law Enforcement Information Network) to show whether it's valid or not. I'm not sure that is the case with the (medical marijuana) IDs.

"It's not going to be obvious in every case, like if I pull you over and you have 6 pounds of marijuana," Murphy said. "If you've got 2.6 (ounces) and the law said 2.5 (ounces), are you going to jail? Probably not. Will we send it to the lab? Yes. Are we going to submit for charges? Yes."

McCurtis acknowledged "there's a lot being worked out with this particular law," but he said state officials are working to create a program that will allow law enforcement to enter a registration number in an effort to verify if the person is legally able to possess marijuana. The information, however, will not be available to the general public.

Until that system is in place, McCurtis said, "The best thing law enforcement can do is to call us 8 (a.m.) to 5 (p.m.) to be sure someone is registered."

Basar also questioned how police are to determine whether a person's letter from their doctor recommending they be allowed to use marijuana for medical reasons is valid. Murphy said a lot of issues with the law most likely won't be known until someone challenges the state law versus federal law, which still bans the use, possession and sale of marijuana anywhere in the United States.

In 2005, the U.S. Supreme Court reaffirmed Congress' authority to regulate the use of potentially harmful substances — including marijuana — through the federal Controlled Substance Act.

"This is the nose under the tent to the legalization of marijuana," Basar said about Michigan's medical marijuana law. Annis happily agreed.

“We need to have a legal supplier and maybe even tax it for the sake of helping our economy,” she said. “This law is basically the first step in a long process.”

Link: <http://www.livingstondaily.com/article/20090426/NEWS01/904260337>

# About The Compassionate Coalition | The Compassionate Coalition

**The Compassionate Coalition's mission:** To defend the rights of medical marijuana patients and care providers through education and community participation. We are a nonprofit grassroots organization that helps build and support local chapters nation-wide, linking them with other medical marijuana reform organizations and resources.

Please check out our [discussion forum](#), [medical marijuana information](#), or find out more [about The Compassionate Coalition](#).

**Our volunteers defend patients' rights by:** *Educating service organizations, policy makers and the public about medical marijuana rights; Organizing and educating the patient community; Forming local chapters to help patients address community issues; Representing patients' rights in city, county and state government; Providing legal and community support for patients and care providers in court; Defending physicians and care providers from unwarranted prosecution and harassment; Training patient advocates to speak to media and government; Announcing important meetings and events to media and patients; Providing a forum for patients, care providers and the public to openly discuss medical marijuana issues; Networking and coordinating with other reform organizations and patient-advocates.*



**Find out more about The Compassionate Coalition by clicking the links below.**

**Thank you for helping to defend the rights of medical marijuana patients!**

## **Compassionate Coalition Elected Officers**

**Chairman of the Board:** Linda Jimenez

Phone: (707) 720-7593

[linda4spg@CompassionateCoalition.org](mailto:linda4spg@CompassionateCoalition.org)

**Communications Director** Nathan Sands

Phone: (916) 709-2483

[nathan@CompassionateCoalition.org](mailto:nathan@CompassionateCoalition.org)

**National Secretary:** Leona Benjamin

**National Senior Advisor:** Ryan Landers

**Chief Financial Officer:** Galen Lawton

**Public Relations Officer:** Lanette Davies

**Technology Director:** Myke Folkes

[myke@CompassionateCoalition.org](mailto:myke@CompassionateCoalition.org)

Contact Information

Mailing Address:

T

Fax: (916) 266-7455

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much better all around when smoking marijuana. I could get around better, I felt better, I was in a better mood, and I ate (something that is often very difficult for me). Being a California resident, I obtained a doctor's recommendation, and am now legal to use medical cannabis in California, and would like to see it made legal everywhere.

Marijuana is now the only medication I am using to treat my condition, and I would be so much less functional without it that I don't know what I would do (or COULD do for that matter).

**MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC.**

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# **SUPPORTING SCHEDULES**

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# **MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC.**

## **List of Supporting Schedules**



# **MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC.**

## **List of Supporting Schedules**

- 1 \$500,000 Funding Letter of Intent
- 2 Articles of Incorporation
- 3 Resumes of Team
- 4 Grow Site LOI
- 5 Security Proposal - ADT
- 6 Start up Timetable – Top Level

Letter of Intent

Re: \$500,000 loan to Borrower

Lender: Atlas Advisors, LLC

Borrower: MAINE ALTERNATIVE TREATMENT SOLUTIONS "MATS or Borrower",  
a Maine nonprofit pursuant to Title 13-B, Maine Nonprofit Act, President and  
CEO Peter Phelps

Intended Use: Operation of a Medical Marijuana Dispensary as defined by Public  
Law, Chapter 631. LD 1811, 124th Maine State Legislature, An Act to Amend  
the "Maine Medical Marijuana Act"

Amount: \$500,000

Contingencies: This Letter of Intent is subject to:

1. Borrower being granted a license to operate a Medical Marijuana Dispensary ("Dispensary") by the Maine Department of Health and Human Services on or about August 30, 2010.
2. Borrower shall sign a Promissory Note, Security Instrument in all business equipment purchased, lease entered into by Borrower, and other business assets of Borrower.
3. Lender or his nominee shall not be held liable for any of Borrowers activities or intended use of funds.
4. It is expressly understood and agreed that this LOI is nonbinding and is intended as an outline of the principal terms of the transaction. Neither party shall have any rights nor obligations regarding the provisions set forth in this LOI unless and until a binding agreement is executed between parties. The parties agree that neither party will act in reliance on the terms contained in this LOI and that, if a party incurs any expenses with respect thereto, all such expenses will not be reimbursed by the other party, excluding a one-time application fee of \$15,000, of which \$14,000 shall be returned to Lender if the application is unsuccessful in obtaining a license, \$1,000 to be kept by the State of Maine.
5. Lender or his nominee shall have a right of first refusal to purchase any proprietary information developed in the operation of the Dispensary, including all cultivation processes, software developed and trade secrets employed by MATS while the loan is outstanding.

We, the undersigned, hereby agree to the above terms and conditions of this Letter Of Intent.

Lender: Atlas Advisors, LLC

By: 

Date

Evan Gappleberg, CEO

Borrower: MAINE ALTERNATIVE TREATMENT SOLUTIONS

By: 

Date

Peter Phelps, CEO

8/19/10

# **MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC.**

## **List of Supporting Schedules**

- 1 \$500,000 Funding Letter of Intent
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**For Corporate Incorporators\***

Name of Corporate Incorporator \_\_\_\_\_

By \_\_\_\_\_  
(signature of officer)

Street \_\_\_\_\_  
(principal business location)

\_\_\_\_\_  
(type or print name and capacity)

\_\_\_\_\_  
(city, state and zip code)

Name of Corporate Incorporator \_\_\_\_\_

By \_\_\_\_\_  
(signature of officer)

Street \_\_\_\_\_  
(principal business location)

\_\_\_\_\_  
(type or print name and capacity)

\_\_\_\_\_  
(city, state and zip code)

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**\*Articles are to be executed as follows:**

If a corporation is an incorporator (13-B MRSA §401), the name of the corporation should be typed or printed and signed on its behalf by an officer of the corporation. The articles of incorporation must be accompanied by a certificate of an appropriate officer of the corporation, not the person signing the articles, certifying that the person executing the articles on behalf of the corporation was duly authorized to do so.

Please remit your payment made payable to the Maine Secretary of State.

Submit completed form to:

**Secretary of State**  
**Division of Corporations, UCC and Commissions**  
**101 State House Station**  
**Augusta, ME 04333-0101**  
Telephone Inquiries: (207) 624-7752

Email Inquiries: [CEC.Corporations@Maine.gov](mailto:CEC.Corporations@Maine.gov)

# **MAINE ALTERNATIVE TREATMENT SOLUTIONS, INC.**

## **List of Supporting Schedules**

- 1 \$500,000 Funding Letter of Intent
- 2 Articles of Incorporation
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**Cobblestone Advisers LLC** – Partner, 2003 to 2005

International investment banking firm specializing in providing advisory services and raising capital for public and privately held businesses in the following industries: technology, biotechnology, real estate, and financial services. Client base was 80% international.

**Plymouth Rock Assurance Corporation** – CFO, 2002 to 2003

Innovative property and casualty insurance company – Revenue greater than \$1 billion

**M&A, Management, and Operations**

- Key role in the 2003 acquisition of the Prudential's NJ property and casualty business. Profitable transaction added \$600 million revenue to the top line of Plymouth Rock.
- Produced measurable positive value in the financial analysis, financial reporting, financial controls, IT, and operations areas.

**GiantLoop Network, Inc.** – CFO, 2000 to 2001

Company is a venture-backed provider of enterprise hardware and software for optical networking solutions.

**Raised over \$160 Million in Private Equity:**

- Prepared and delivered successful investor presentations
- Generated and closed equity capital commitments
- Equity round participants included Greylock, Pilot House Ventures, Nortel Networks, Cabletron, Sycamore Networks, 360networks and many others.

**Operating and Management Experience**

- Managed communications with private equity and strategic investors
- Aggressively grew the company from start-up to over 350 employees
- Recruited management team and fully-functional individual departments
- Direct involvement with cost accounting, pricing, sales management, marketing, IT, and Business Development.
- Selected and implemented Oracle Financials system for general ledger, financial reporting, budgeting, and cash control

**Andover.Net, Inc. (NASDAQ: ANDN) – CFO, 1999 to 2000**

Linux software and tools for open source software development. Sold company to VA Linux (NASDAQ: LNUX) for \$1.1 Billion

**S-1, IPO, Road show and Wall Street experience:**

- Prepared S-1
- Presented road show to over 70 institutional investors.
- Raised \$83 million in the oversubscribed IPO.

**Financial Reporting and Operating Experience:**

- SEC Financial Reporting – 10K, 10Q, and conference calls
- Significant role in developing and executing Andover. Net's business strategy.
- Responsible for transitioning Andover.Net from a privately held, venture-backed (TA Associates and others) company to a fully operational public entity
- Accelerated activities in investor relations, IT and human resources

**Rosse Enterprises Limited – CFO, 1987 to 1999**

Rosse Enterprises is a private equity firm that invests in, and actively operates, companies in the following industries: manufacturing, financial services, textiles, IT, health care services, and medical devices.

**Manufacturing Experience:**

- CFO for three manufacturing companies for 10 years. Provided significant value-add in terms of pricing, cost accounting/control, and variance analysis in an extremely cost competitive environment.

**Mergers, Acquisitions and IPO Experience:**

- M&A: sourcing, structuring and due diligence
- Significant experience with post acquisition integration
- Significant involvement with the real estate business including handling accounting issues such as revenue recognition, completed contract, and percentage of completion. Handled all finance and M&A requirements
- Two of our portfolio companies had successful IPOs.

**PricewaterhouseCoopers LLP**– Tax Manager 1985-1987

Serviced a significant mix of publicly-traded/private clients in financial services, real estate, manufacturing and technology. Experience in structuring complex transactions for maximum after-tax return. Prepared financial projections for public and private real estate syndications and managed M&A and tax planning/compliance engagements.

**Ernst & Young, LLP** – Audit Supervisor 1980-1984

Spent five years gaining typical large CPA firm audit experience including SEC reporting. Managed diversified client mix of publicly-traded and private companies: 30% manufacturing, 20% software/information technology, 20% real estate, 10% health care and 20% non-profit.

**Professional Certification, Memberships and Other:**

Certified Public Accountant

American Institute of Certified Public Accountants

Massachusetts Society of Certified Public Accountants

The CFO Roundtable

Rotary International

Chamber of Commerce

Mahoosuc Land Trust

**Education:**

B.S. in Accounting from University of Maryland, 1978

M.B.A. from George Washington University, 1980

**CURRICULUM VITAE**  
**MICHAEL J. LIBERTI, D.C., D.A.B.C.N.**

**EDUCATION**

1. 1975 Graduated from Saugus High School, Saugus, Massachusetts.
2. 1979 Graduated from Boston College, Newton, Massachusetts – Bachelor of Science Degree in Biology.
3. 1982 Graduated from Northwestern College of Chiropractic, St. Paul, Minnesota – D.C. degree for Doctor of Chiropractic.
4. 1986 received Certification as Chiropractic Industrial Consultant through Northwestern College of Chiropractic.
5. Have accumulated approximately 700 hours of post-graduate continuing education, neurology, orthopedics, biomechanics, x-ray, spinal trauma, sports injuries and other miscellaneous health care areas.
6. 1993 Graduate of Post-Doctoral Neurology Residence program through Logan College of Chiropractic – Board eligible.
7. 1993 Diplomate, American College of Chiropractic Neurology.

**CLINICAL EXPERIENCE**

1. Over twenty-eight years of full-time clinical practice.
2. Managed and treated approximately three thousand spinal trauma cases.
3. Have performed independent medical evaluations and paper reviews for numerous insurance companies, as well as providing expert testimony in a number of malpractice cases for both the prosecution and defense. Testified in numerous workers' compensation cases and personal injury cases.

**OTHER BUSINESS EXPERIENCE**

1. Managing Partner Mountain View Real Estate Development, LLC  
Responsible for a 200-acre, 50+ lot subdivision in Newry, Maine
2. Managing Partner Maine Mountain Properties, LLC  
Responsible for 400-acre, 100+ lot subdivision in Newry, Maine

**PROFESSIONAL AFFILIATIONS**

1. Member of the American Chiropractic Association.
2. Member of the Maine Chiropractic Association.
3. Licensed to practice in the state of Massachusetts.
4. Licensed to practice in the state of New Hampshire.
5. Licensed to practice in the state of Maine.

**TEACHING EXPERIENCE**

1. Former Adjunctive Faculty, North Shore Community College.
2. Former Adjunctive Faculty, University of New Hampshire system.
3. Certified Instructor, American Red Cross – “Protect Your Back” program.
4. Certified Level II Professional Ski Instructor.

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CB Richard Ellis|The Boulos Company, LLC  
One Canal Plaza  
Portland, ME 04101  
Tel. 207.772.1333  
Fax. 207.871.1288  
[www.boulos.com](http://www.boulos.com)

August 19, 2010

Peter Phelps, CEO  
Maine Alternative Treatment Solutions, Inc.  
Box 6  
Newry, Maine 04261

RE: Letter of Intent – 17 Pomerleau Street, Biddeford, Maine

Dear Peter:

This letter sets forth the terms and conditions under which **MEC Realty** (hereinafter referred to as "Landlord") is willing to enter into a lease agreement with **Maine Alternative Treatment Solutions, Inc.**, (hereinafter referred to as "Tenant") for space at the above-referenced location.

<u>Property Address:</u>	17 Pomerleau Street, Biddeford, Maine										
<u>Tenant:</u>	Maine Alternative Treatment Solutions, Inc.										
<u>Landlord:</u>	MEC Realty										
<u>Demised Premises:</u>	The demised premises shall be deemed to contain 5,000± s.f. of leased space.										
<u>Lease Term:</u>	Five (5) years.										
<u>Option Term:</u>	Five (5) years with six (6) months advance written notice.										
<u>Occupancy Date:</u>	November 1, 2010										
<u>Rent Commencement Date:</u>	November 1, 2010										
<u>Landlord's Work:</u>	Landlord will provide a "vanilla shell", demised premises. Construction of two demising walls will be required at a cost of approximately \$10,000. Estimated demising wall cost to be split on a 50/50 basis with Tenant.										
<u>Tenant's Work:</u>	Any and all modifications to the building by Tenant or Tenant's agent shall be submitted to Landlord for its approval prior to commencement of work. Tenant agrees that all work shall be completed in compliance with all applicable state and municipal building codes and ordinances.										
<u>Lease Rate:</u>	<table><tbody><tr><td>Year 1:</td><td>\$6.00/s.f. Modified Gross</td></tr><tr><td>Year 2:</td><td>\$6.18/s.f. Modified Gross</td></tr><tr><td>Year 3:</td><td>\$6.36/s.f. Modified Gross</td></tr><tr><td>Year 4:</td><td>\$6.55/s.f. Modified Gross</td></tr><tr><td>Year 5:</td><td>\$6.75/s.f. Modified Gross</td></tr></tbody></table> <p>The above rent is quoted on a Modified Gross. Therefore, it includes Tenant's</p>	Year 1:	\$6.00/s.f. Modified Gross	Year 2:	\$6.18/s.f. Modified Gross	Year 3:	\$6.36/s.f. Modified Gross	Year 4:	\$6.55/s.f. Modified Gross	Year 5:	\$6.75/s.f. Modified Gross
Year 1:	\$6.00/s.f. Modified Gross										
Year 2:	\$6.18/s.f. Modified Gross										
Year 3:	\$6.36/s.f. Modified Gross										
Year 4:	\$6.55/s.f. Modified Gross										
Year 5:	\$6.75/s.f. Modified Gross										

pro rata share of all Base Year 2010 operating expenses for this property, including real estate taxes, building repairs and maintenance, management, building insurance, parking lot maintenance, grounds maintenance, common area lighting and common area cleaning, etc. Tenant to pay its pro rata share of annual increases over base year. The rent does not include Tenant's premises utility costs. Tenant is directly responsible for its utility expenses for lights, plugs, HVAC and water/sewer. Tenant is also responsible for its premises' janitorial costs.

Use: Tenant shall use the demised premises for Medical Marijuana Production.

Deposit: Upon full execution of this Letter of Intent, the sum of one month's rent, Two Thousand Five Hundred Dollars (\$2,500.00), will be delivered to CBRE | The Boulos Company and held in a non-interest bearing escrow account. At the time the lease is executed, said deposit will be forwarded to Landlord and credited toward the Tenant's first month's rental payment due under the lease. CBRE | The Boulos Company, upon the full execution of the lease may, at its option, credit this deposit toward the commission due and payable by the Landlord. In such an event, Tenant is to receive credit for this money as if it had been credited toward Tenant's rent payments due under the lease.

Security Deposit: Upon full execution of a Lease Agreement, Tenant will deposit with Landlord the sum of Two Thousand Five Hundred Dollars (\$2,500.00). This sum represents the security deposit due under the lease. Said deposit will be returned to Tenant at the end of the lease term, provided the premises are left in good repair, "broom clean," and provided Tenant has not been in default of lease. Interest will not be paid on said deposit.

Signage: Signage will be at Tenant's sole expense; however, subject to the prior written approval of design and location by Landlord prior to installation and also subject to any standards in use at the property. Such approval shall not be unreasonably withheld or delayed.

Parking: Parking is available on site and in common with Landlord's operating company.

Brokerage Commission: Landlord's responsibility in accordance with CBRE | The Boulos Company's standard commission schedule.

Lease Guarantee: The lease shall be personally guaranteed by Peter Phelps.

Financials: It is understood that any lease agreement is subject to Landlord's prior approval of Tenant's financial statements and past credit history. If requested by Landlord, then Tenant shall submit such information to Landlord within five (5) days of full execution of this Letter of Intent.

Assignment / Sublet: Tenant shall not be permitted to assign lease or sublet space.

Zoning: It is the responsibility of Tenant to determine all zoning information and secure all necessary or required permits and approvals for its proposed use of the subject premises. Landlord and CBRE | The Boulos Company make no representations or warranties as to the suitability of, or the ability to obtain regulatory approval for, the subject premises for Tenant's intended use.

Letter of Intent Expiration: This offer to lease is valid until August 27, 2010, but may be revoked by Landlord at any time without prior written notice.

Facsimiles: The undersigned jointly and severally agree to accept fax copies of the

documents which have been sent by either party to the other, or to any other party or agent to this transaction, as original documents, with the exception of the final lease document.

Lease Agreement:

Landlord agrees to forward its proposed lease to Tenant within Ten (10) days of the full execution of this Letter of Intent. In the event Tenant and Landlord have not executed a mutually agreeable lease within Thirty (30) days of Tenant's receipt of Landlord's lease, Tenant's deposit shall be returned and neither party is under any further obligation to the other.

Miscellaneous:

This Letter of Intent represents the preliminary understanding of the parties with respect to the proposed Lease. This letter is not intended to constitute a binding or enforceable contract nor does it constitute a legal obligation on either party. Further, the basic terms set forth are subject to both parties entering into a mutually agreeable written Lease agreement to be fully executed by both Landlord and Tenant.

This proposal is subject to Tenant receiving all necessary federal, state and local approvals for the intended use.

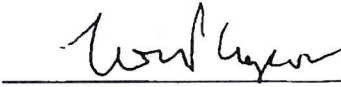
Very truly yours,

CBRE | The Boulos Company



SEEN AND AGREED TO:

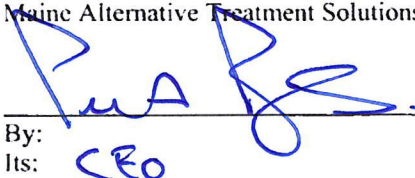
MEC Realty, Landlord



By:  
Its:

August 19, 2010  
Date:

Maine Alternative Treatment Solutions, Inc., Tenant

  
CEO

By:  
Its:

8/19/10  
Date:

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Protection for the York County Cultivation Facility

Provided for Peter Phelps

August 18, 2010

Intrusion:

ADT will provide and install an intrusion system at the facility including the following components:

- 1- Intrusion control panel
- 1- Keypad
- 5- Door contacts
- 8- Motion detectors
- 1- Interior sirens
- 1- Exterior siren/strobe
- 1- Commercial cellular communication back-up system with high-gain antenna.
- 1- Training and testing

Note: services include central station monitoring, on-line open/close service, cellular back-up fee, and full extended system maintenance.

CCTV:

ADT will provide and install a CCTV system in the facility including the following components:

- 1- Digital Video Recorder with minimum 1TB hard drive, 16-camera capacity, and Ethernet capability
- 12- Vandal resistant, high-resolution, mini-dome cameras with vari-focal lens.
- 1- Camera power supply

Access Control:

ADT will provide and install an access control system including the following components:

- 1- 2-door control panels
- 2- Biometric fingerprint readers
- 2- Request-to-exit motion detectors and status door contacts.
- 1- Software package to be installed on customer's computer.
- 1- Locksmith work for locking hardware.

Submitted By:

Greg Gladstone

ADT Security Services, Inc.

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## MAINE ALTERNATIVE TREATMENT SOLUTIONS

### Project Planning Grid - TOP LEVEL TASKS

<u>Categories and Tasks</u>	<u>Projected Completion Date</u>
<b>ADMINISTRATIVE MATTERS</b>	
Develop systems to run business	9/1/10
Use QuickBooks for accounting	9/2/10
Purchase integrated point of sale POS system	9/3/10
Open bank accounts	9/4/10
Formalize budget and business metrics	9/5/10
<b>REAL ESTATE</b>	
Sign lease	9/10/10
Obtain plans, permits and Build out site	9/10/10
Install ADT security system	9/10/10
Install cultivation and office equipment	9/10/10
Test equipment	9/15/10
<b>SALES AND MARKETING AND PR</b>	
Branding completed	9/1/10
Update projections	9/1/10
Stratify demographics of district	9/1/10
Develop appropriate approach to generate demand	9/1/10
Community education program	9/1/10
<b>STAFFING</b>	
Develop staff training program	9/1/10
Develop overall staffing plan and job descriptions	9/10/10
Policies and procedures	9/10/10
Background and drug test procedures	9/10/10
Set and cover cultivation and care staffing hours	9/10/10
Develop appropriate ads to attract staff	9/10/10
Interview staff	9/10/10
Hire staff	9/10/10
Registry identification cards	9/10/10
Put staff through extensive training program	10/1/10
<b>CULTIVATION AND GROWING PLANS</b>	
Obtain and plant seeds	10/1/10
Follow cultivation guidance from equipment supplier	10/1/10
Harvest, dry and cure	1/1/11
Inspect for proper quality	1/2/11
Weigh and package inventory	1/3/11
Secure inventory	1/4/11